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1 **4.0 Operating Costs**

2 **4.1 Overview**

3 **4.1.1 Overview**

4 In this Exhibit, the operating costs consist of the required expenditures necessary to maintain and
 5 operate BPIs distribution system assets, the costs associated with metering, billing, collecting from its
 6 customers, the costs associated with ensuring all stakeholders safety (public, employees etc.) and costs
 7 to maintain the distribution business' service quality and reliability standards in compliance with the
 8 Distribution System Code and other regulatory bodies (IESO (formerly OPA), the Ministry of Energy, and
 9 the ESA among others). Overall, these are on-going costs associated with providing distribution services
 10 in alignment with customers' expectations. BPI's 2017 Test Year Operating Costs are \$10,470,506,
 11 including Operations, Maintenance and Administration (OM&A) and excluding LEAP, as summarized in
 12 Table 4.1-A below.

13 ***Overhead Capitalization Changes***

14 BPI adopted the required accounting changes for depreciation and capitalization policies on January 1,
 15 2013, which were included in BPI's 2013 Cost of Service application. As a result, all historical years are
 16 presented comparatively and therefore BPI is not required to show the impact of expensing overheads
 17 that were previously capitalized in this Cost of Service application.

18 **Table 4.1-A: Summary of OM&A Increases – 2013 Board Approved to 2017 Test Year**

Expenses	2013 Board Approved	2013 Actual	2014 Actual	2015 Actual	2016 Bridge	2017 Test
Distribution Expenses - Operation	1,232,931	1,440,365	1,569,559	1,551,035	1,697,963	1,633,794
Distribution Expenses - Maintenance	2,047,331	1,902,706	1,668,155	1,562,869	1,612,241	1,623,083
Billing and Collecting	2,558,831	2,577,446	2,872,826	2,840,394	3,233,610	3,088,680
Community Relations	97,000	37,976	10,279	11,505	16,585	17,390
Administrative and General Expenses	2,917,931	2,831,493	2,999,741	3,146,313	4,432,371	4,107,559
Total	8,854,025	8,789,985	9,120,560	9,112,116	10,992,770	10,470,506

19

1 BPI followed Canadian Generally Accepted Accounting Principles (CGAAP) in 2013 and 2014, with the
 2 inclusion of additional accounting changes in accordance with the Board’s letter dated July 17, 2012,
 3 specifically relating to depreciation rates and capitalization policies. For 2015, 2016 Bridge Year and
 4 2017 Test Year, BPI is reporting under Modified International Financial Reporting Standards (MIFRS).

5 Please refer to Table 4.1-B for details on changes to OM&A costs between BPI’s last Board approved
 6 Cost of Service Application in 2013 and the 2017 Test Year.

7 **Table 4.1-B: Overall Cost Trends**

Item	\$ Amount
2013 Board Approved OM&A (excluding LEAP)	8,854,025
System Integration Projects	495,143
Changes in Staffing, Wages and Benefits	1,019,894
Shared Services to Affiliates	(175,856)
Organizational Improvements/Strategic Initiatives	272,000
Restructuring of Shared Services Agreement	(186,758)
Direct Labour Project Mix / Payroll Burden Allocation	(176,131)
Other Charges (net)	368,189
2017 Test Year OM&A	10,470,506

8
 9 The OM&A costs in the 2017 Test Year reflect the resourcing mix and investments required to meet
 10 customer and broader public policy requirements. Without this resourcing and investments, BPI will
 11 struggle to meet 2017 and future workloads.

12 **1. System Integration Projects**

13 In order for BPI to continue providing reliable, quality service and meet the needs of BPI’s customers
 14 and for BPI to have access to timely, sufficient and appropriate business and financial information, BPI’s
 15 Board of Directors have made the strategic decision to implement new or replace major system projects
 16 including the replacement of dated Financial Information System (FIS) and Customer Information System
 17 (CIS) during 2016 and 2017 respectively. Smaller system projects including E-Services and Operational
 18 Data Store (ODS) Integration have been implemented during 2014-2015 and BPI has forecasted a new
 19 Outage Management System (OMS) and Web presentment of TOU/Interval data for completion during
 20 2017.

21 This direction was consistent with the plans outlined in BPI’s 2013 Cost of Service Application wherein
 22 BPI engaged a third party consultant to review BPI’s existing Information Systems infrastructure with the

1 goal of achieving a more efficient and integrated information systems infrastructure. The consultant was
2 charged with examining the current state in light of current good utility practice with a view of assisting
3 BPI in developing a prioritized roadmap for the renewal of its information systems infrastructure.

4 FIS and CIS were identified as the most critical projects needing major upgrades within BPI. The net
5 impact of these additional systems between BPI's 2013 Board approved Cost of Service application and
6 the 2017 Test Year is \$495,143. BPI has provided details of these projects in Section 2.4.2 below.

7 **2. Changes in Staffing, Wages and Benefits**

8 Increase in staffing, wages and benefits are exclusive of any changes categorized separately under
9 system integration projects, services provided to affiliates, restructuring of Shared Services Agreement
10 and direct labour project mix allocation. The impacts to wages and benefits as a result of these changes
11 have been included in their respective cost driver section.

12 A number of vacant positions were created during 2014 as a result of the departure of several
13 employees throughout the Organization. BPI's Board of Directors and Senior Leadership Team (SLT)
14 evaluate all vacant positions, in addition to existing positions, to determine whether the roles are
15 necessary to continue meeting the goals outlined in BPI's strategic plan, or whether they should be
16 repurposed or eliminated altogether. During 2015 and forecasted for 2016, BPI has filled a number of
17 previously vacant positions as well as creating new positions from the role assessments completed.
18 Additional employees from the 2013 Board Approved Cost of Service to the 2017 Test Year include a VP
19 of Customer Service, Manager of Settlement and Billing, Acting Supervisor of Settlement and Billing, as
20 well as the addition of a new foreman, regulatory staff, customer service representatives and other staff
21 determined necessary to meet the goals of BPI and to continue providing safe, reliable, quality service to
22 its customers.

23 In addition to the filling of new and vacant positions, the increase from the 2013 Board Approved
24 balance to the 2017 Test Year relates to annual wage increase for union and non-union employees. As
25 noted in the Compensation section below, non-union employees (representing mostly management) are
26 given wage increases that combine evaluation of job performance and merit and a modest inflationary
27 increase, while union employees are given increases based on the wage grids negotiated in the
28 collective agreements. The IBEW and CUPE collective agreements expire in May 2016 and April 2017,
29 respectively, which has resulted in BPI forecasting wage increases based on its reasonable expectation
30 of the outcomes that will be negotiated.

31 See Compensation section 2.4.4 below for further details of changes to staffing, wages and benefits.

32 **3. Shared Services to Affiliates**

1 During 2014, the Board of Directors made the strategic decision to share with BPI affiliates, the costs of
2 a portion of the organization's executive leadership, consisting of the President & Chief Executive Officer
3 (CEO) and the Chief Financial Officer (CFO) & Vice President Corporate Services, in order to achieve
4 greater efficiencies in managing the Brantford Energy Group of Companies. As a result of this change,
5 the President and CEO, the CFO & VP Corporate Services and Executive Assistant began in 2014
6 providing services to the parent company, Brantford Energy Corporation and affiliate companies,
7 Brantford Hydro Inc. (BHI) and Brantford Generation Inc. (BGI). This was followed by the sharing of the
8 Finance Department across these entities in 2015.

9 The group of companies began sharing the cost of salaries, benefits and other expenses. These costs are
10 allocated on the basis of time spent on each of the companies, tracked through time-docketing. All
11 costs, including indirect allocations, that do not relate to BPI are allocated to 4380 (Expenses from Non-
12 Utility Operations) and billed to the affiliate companies.

13 **4. Organizational Improvements/Strategic Initiatives**

14 BPI has identified the need for ongoing organizational improvements including; reviewing and updating
15 company policies, staff training, annual updating of the BPI strategic plan, and the development of
16 additional customer engagement initiatives. These initiatives resulted in a forecasted increase of
17 \$272,000 between the 2013 Board Approved Cost of Service application and the 2017 Test Year.

18 Since 2012 when BPI was restructured from its former virtual utility structure, BPI continues to follow
19 those employment policies that were previously implemented by its shareholder, the City of Brantford.
20 In order to ensure BPI policies are suitable for the organization and the electricity distribution sector, BPI
21 plans to review and formalize all of its employment policies.

22 In addition to this, BPI is looking to continuously develop its staff to improve efficiencies and overall
23 industry knowledge, while operating BPI to its best capabilities. As a result, BPI plans to provide formal
24 training and development to its staff including developing its leaders over the next five years.

25 Although BPI has a well-developed strategic plan, the utility environment is dynamic and as a result, an
26 annual refresh and update analysis of the strategic plan is required by the business and the Board of
27 Directors. BPI has determined that this time-sensitive, confidential, non-discretionary work is not
28 suitable, nor is time available to embed these activities into the work plan of the existing Finance
29 Department complement. Consequently, some level of external assistance is required to support these
30 updates.

31 Lastly, the requirements around customer engagement have increased on local and provincial industry
32 issues, which have resulted in the need for BPI to invest more operating funds into this important

1 commitment. In order for BPI to maintain the satisfaction and safety of its customers, BPI has forecasted
2 funds for annual customer satisfaction surveys, public awareness of electrical safety surveys and
3 ongoing transactional surveys. BPI believes the ability to obtain sample customer feedback immediately
4 following customer interactions with the business through transactional surveys, provides a more
5 timely and immediate feedback mechanism on which BPI can identify opportunities for improvement
6 and the development of coaching and training for staff when issues are identified. Although this activity
7 is not mandatory, BPI believes it enhances its ability to stay abreast of customer needs and concerns
8 with respect to BPI services.

9 In the spring of 2014, BPI conducted a joint mini-RFP in conjunction with Entegrus Powerlines Inc. (EPI)
10 The objective of this joint process was to combine efforts to secure the services of a third party survey
11 consultant to conduct live agent telephone surveys on Customer Satisfaction, First Contact Resolution
12 and other measures, consistent with the Board's requirements for the BPI Scorecard.

13 A secondary objective identified by BPI and its mini-RFP partner LDC was to receive value-added
14 Customer Service consultation in order to drive ongoing improvements in the area of Customer Service.
15 Four potential service providers were issued invitations to participate in the mini-RFP process. Three of
16 the service providers elected to participate in the process. Subsequent to review and presentation of
17 proposals by the vendors, and follow-up questioning, the selected vendor was Convergys, a customer
18 management firm specializing in live agent customer surveys and associated statistical analysis.
19 Convergys is made up of 125,000 employees working in more than 150 service centres in 31 countries.
20 Convergys is experienced in providing Customer Service enhancement recommendations to call centres.

21 In addition, BPI individually sought to secure the services of a third party customer engagement
22 consultant to assist in conducting focus groups and surveys specific to the BPI 2017 rate application,
23 consistent with the Board's Filing Requirements relating to customer engagement. Although BPI
24 originally envisioned hiring one service provider to conduct both Scorecard survey consultation and Cost
25 of Service Application customer engagement services, it became clear during the Scorecard mini-RFP
26 that BPI would be best served by engaging two different service providers in order to best meet each of
27 the separate objectives. Accordingly, BPI retained Innovative Research Group ("INNOVATIVE") to assist
28 in conducting the customer engagement activities for the EPI 2017 rate application. INNOVATIVE is a
29 Canadian strategy firm that offers research, strategic counsel and communications advice, including
30 focus groups and telephone and online surveys. INNOVATIVE is experienced at providing Ontario LDCs
31 with customer engagement assistance with respect to rate applications.

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1 **5. Restructuring of Shared Services Agreement (SSA)**

2 BPI currently pays annual fees to its shareholder, the City of Brantford, for shared services. The costs
3 included in the 2016 OM&A forecast is \$2,186,017, which primarily relates to rental of facilities, facility
4 management and IT services provided. The nature and pricing mechanisms applied for these shared
5 services remain the same as those presented in the 2013 Cost of Service Application. The current SSA
6 with the City of Brantford expires December 31, 2016 and therefore BPI continues to evaluate whether
7 it would be beneficial, and if so, when to in-source some of these existing shared services.

8 As discussed in Exhibit 2, BPI intends to purchase and occupy a consolidated facility in 2016, which
9 would result in the elimination of costs related to the rental of three facilities from the City of Brantford
10 and related facility management services. The elimination of these OM&A costs of approximately
11 \$662,000 in the 2017 Test Year are partially offset by new operating costs for the building of \$266,000,
12 which represents only the utility-related portion, included in revenue requirement, as well the addition
13 of a project/facility manager of \$140,000. The addition of a consolidated facility physically separated
14 from the City of Brantford would permit and possibly require BPI to identify opportunities to possibly
15 insource other shared services provided by the City of Brantford, including accounts payable, payroll and
16 procurement. BPI has forecasted the addition of an Accounts Payable/Payroll clerk of \$64,000.

17 The forecasted costs to hire additional employees to provide these services in-house, is comparable to
18 the costs currently paid to the City of Brantford for these shared services, and would allow BPI and its
19 customers to receive other benefits stemming from BPI having more flexibility in designing its business
20 processes specifically for BPI needs and requirements vs. the requirement under a shared services
21 arrangement whereby definition, business processes are designed to achieve the composite needs of
22 the distinct organizations participating in such shared services.

23 **6. Direct Labour Project Mix / Payroll Burden Allocation**

24 Operations and engineering labour hours are allocated to projects based on work orders initiated for
25 those projects whether capital, operations, maintenance or rebillable. Forecasted labour allocations are
26 based on management's best estimate of anticipated jobs in the upcoming years as well as historical
27 trends. Between the 2013 Board approved Cost of Service application and the 2017 Test Year there has
28 been an increase of \$170,000 in labour allocated to capital projects, resulting in a decrease to OM&A.
29 This is mainly a result of an increase in overall payroll burden allocation of 60% in the 2017 Test Year,
30 compared to 38% in the 2013 Board approved Cost of Service. The payroll burden allocation represents
31 statutory and non-statutory benefits and other indirect labour costs including pension costs, training,
32 vacation and sick time as well as the proportionate share of post employment benefits. The payroll
33 burden rate used for all departments in the forecast years was increased to 60%, as BPI had historically

1 used 40.5% in budget preparations and found this rate to be too low in clearing out the total indirect
2 labour costs. Prior to 2015, BPI had cleared most of the indirect labour costs to only OM&A accounts,
3 resulting in a low payroll burden rate to capital projects in the 2013 Board approved balance. Beginning
4 in 2015, the total indirect labour costs are being allocated to OM&A and capital projects, based on direct
5 labour allocations.

6 **7. Other Charges (Net)**

7 Increase in other charges mainly relate to an increase in customer billing supplies and expenses, vehicle
8 amortization expense, construction materials and supplies and other non-labour items. Customer billing
9 costs, such as postage and printing, were lower in the 2013 Board approved balance, as BPI's electricity
10 charges and the City of Brantford's water services were combined on the same bill, resulting in shared
11 costs. Beginning April 2013, BPI and the City of Brantford began issuing separate bills for their services,
12 resulting in BPI paying full costs for its customer billing, resulting in an increase of approximately
13 \$100,000. Vehicle amortization expense, allocated to various OM&A accounts, has increased from 2013
14 Board approved to 2017 Test Year by approximately \$110,000, as a result of BPI purchasing some large
15 vehicles, as older vehicles have approached the end of their useful life. Other non-labour items,
16 including construction materials and supplies, have increased from 2013 Board approved, due to an
17 increase in number of customers and employees, as well as an increase in vendor costs.

18 **Inflation Rate Assumed**

19 For all Non-Labour items, BPI used a "more likely than not" guideline, where each expense was
20 budgeted based on the actual expected costs instead of a specified inflation rate. After removing the
21 impact of specific drivers addressed previously, other cost increases would reflect an amount
22 approximating the increase in the Consumer Price Index or 2%, consistent with the TD Consumer Price
23 Index (CPI) Forecast for Ontario, as shown in the following Table 4.1-C. These non-labour items are
24 included in Other Charges (Net).

1

Table 4.1-C: TD Consumer Price Index Forecast for Ontario

CONSUMER PRICE INDEX (CPI)					
Annual average per cent change					
	2013	2014	2015	2016F	2017F
CANADA	0.9	1.9	1.1	1.8	2.2
N. & L.	1.7	1.9	0.4	1.6	1.9
P.E.I.	2.0	1.6	-0.6	1.7	2.7
N.S.	1.2	1.7	0.4	1.7	2.5
N.B.	0.8	1.5	0.5	2.3	2.4
Québec	0.8	1.4	1.1	1.3	2.0
Ontario	1.1	2.3	1.2	2.0	2.3
Manitoba	2.3	1.8	1.2	1.7	2.3
Sask.	1.4	2.4	1.6	1.5	1.8
Alberta	1.4	2.6	1.2	1.4	1.7
B.C.	-0.1	1.0	1.1	1.9	2.3

E|F: Forecast by TD Economics as at April 2016.
 Source: Statistics Canada / Haver Analytics

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4 **Business Environment Changes**

5 BPI has experienced significant changes in its business environment since the last Cost of Service
 6 Application in 2013. Customer expectations continue to change regarding the nature and timing of
 7 communications. Also BPI has had to respond to and/or implement multiple changes in Provincial
 8 policies e.g. the introduction of Ontario Electricity Support Program, changes to the Debt Retirement
 9 Charge and Ontario Clean Energy Benefit programs, or programs for large industrial users to address
 10 Global Adjustment allocations. Customer expectations and provincial policies are discussed in detail in
 11 Exhibit 1.

1 **4.2 Summary and Cost Driver Tables**

2 **4.2.1 Summary and Cost Driver Tables**

3

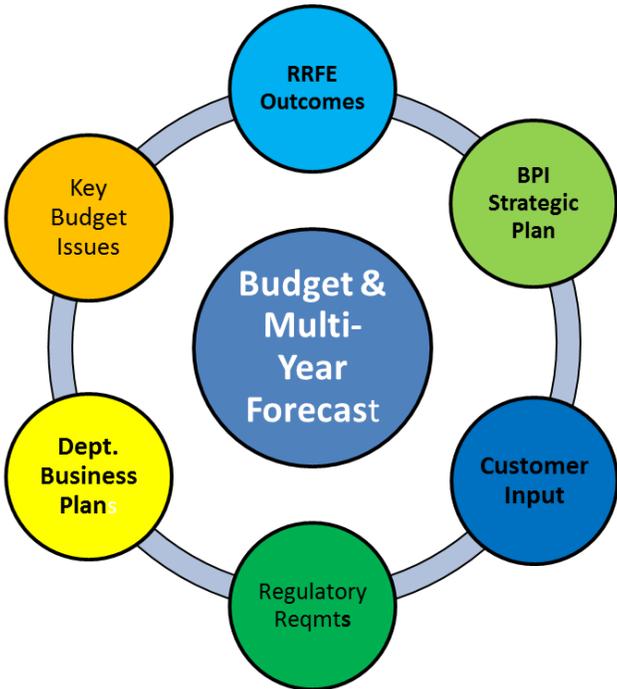
4 **OM&A Budgeting Process**

5 BPI develops its budget based on its Strategic Plan which considered the expected outcomes the OEB
6 established under the Renewed Regulatory Framework for Electricity (RRFE) in October 2012. BPI begins
7 to prepare its annual budget in the second quarter for the following year and typically receives final
8 approval from its Board of Directors in December. In addition to the budget year, a multi-year forecast
9 for the subsequent four years is also prepared to ensure that BPI can assess the longer term impact of
10 current budget decisions on the future financial position of the business and impacts on various
11 stakeholders. The budget submission presented to the Board of Directors for approval represents an
12 updated business plan after reflecting upon the factors outlined in the chart below.

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Budget Process Factors



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1. RRFE Outcomes and BPI Strategic Plan

BPI's business plan reflects projects and activities that are supportive of the RRFE's expected outcomes and the direction set by BPI's Strategic Plan. BPI assesses the implications on its current strategic and financial plans and updates its budgets and forecasts accordingly.

2. Customer Input

The business plan reflects projects and activities that are in keeping with the feedback BPI has received through various and ongoing customer engagement activities.

3. Regulatory Requirements

The business plan reflects necessary funding to meet expected regulatory requirements resulting from government directives or OEB policy in fulfillment of BPI's distribution license or other obligations.

4. Department Business Plans

Each department is required to include with its budget submission an initial departmental business plan summary to the Senior Leadership Team (SLT). These business plans address the departments' current strengths, weaknesses, opportunities and threats. They also summarize the current year performance highlights along with a clear view of requested departmental initiatives whether mandated or internally initiated.

Although these business plans are not updated to reflect the final budgetary decisions, they form an essential initial detailed update to the SLT on the current state and challenges in each operating unit and provide each departmental leader with the opportunity to examine their current operations in an organized and consistent manner and to present their budgetary case to the SLT. This provides the SLT with a complete and common understanding of issues and concerns across the organization that is necessary to make appropriate and considered budgetary decisions.

5. Key Budget Issues

The business plan also considers the general financial position of the business including specific issues that must be addressed in the current financial plan including changes in labour and other costs, current capital structure, level of required capital expenditures and related financial requirements to ensure the financial budget proposal reflects a business plan that is financially sustainable yet provides for the funds necessary for required priority initiatives.

1

2 BPI's budget is prepared using the following process:

- 3 1. The SLT works collectively to look at higher level issues from the budget process factors
4 identified in the chart above that must be considered by each Department. This step sets high
5 level expectations for each department.
6
- 7 2. Each department Manager then develops capital and operating plans with these issues or
8 objectives in mind. All budgets are prepared using a Clean Slate Framework, in which all
9 expenses must be justified for each new period and reflect a "more likely than not" likelihood.
10 This allows for every function within the Organization to be analyzed for needs and costs and
11 provides for reallocation of resources to priority activities or requirements.
12
- 13 3. Each department works with Finance to prepare a labour budget using projected wage and
14 benefit costs. Overtime is based on projected need and historical comparisons with an
15 expectation that it is closely managed to reduce costs where possible. Salaries, overtime and
16 payroll burden are distributed over accounts based on historical and forecasted allocations.
17
- 18 4. Each department Manager presents its budget and related business plan to the SLT. The
19 business planning process allows the leaders to review current and projected departmental
20 outputs, key priorities and initiatives and rationale for requested funding.
21
- 22 5. The department Managers and SLT review staff vacancies and other opportunities for cost
23 savings, which results in potentially repurposing or eliminating vacant positions or saving
24 opportunities through alternative approaches to service delivery.
25
- 26 6. The SLT presents initial budget issues, significant business environment changes and confirms
27 overall strategic direction of the Budget at the October Board of Directors' meeting. Following
28 that Board meeting, the SLT considers feedback and direction from the Board to finalize the
29 budget which results in the SLT submitting its detailed final budget proposal to the Board for
30 formal approval at the December Board of Directors' meeting.

31 The 2016 Bridge Year Forecast is based on estimates, no actual data is included. Both the 2016 Bridge
32 Year and 2017 Test Year Forecasts go through this rigorous process.

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2 **Summary of Recoverable OM&A Expenses**

3 BPI follows the OEB's Accounting Procedures Handbook (the "APH") in distinguishing work performed
4 between operations and maintenance. A summary of BPI's OM&A expenses, excluding LEAP for the
5 2013 Board Approved, 2013 Actual, 2014 Actual, 2015 Actual, 2016 Bridge Year and the 2017 Test Year,
6 is provided in Table 4.2-A, Board Appendix 2-JA. BPI is proposing to recover these costs through 2017
7 Test Year distribution rates.

8 BPI notes that it has included \$25,000 for LEAP expense in its 2017 Test Year. BPI will adjust the amount
9 to 0.12% of the final Service Revenue Requirement prior to the issuance of the Board's Decision for its
10 Application.

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Table 4.2-A: Summary of Recoverable OM&A Expenses

Appendix 2-JA

Summary of **Recoverable** OM&A Expenses

	Last Rebasings Year (2013 Board-Approved)	Last Rebasings Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS
Operations	\$ 1,232,931	\$ 1,440,365	\$ 1,569,559	\$ 1,551,035	\$ 1,697,963	\$ 1,633,794
Maintenance	\$ 2,047,331	\$ 1,902,706	\$ 1,668,155	\$ 1,562,869	\$ 1,612,241	\$ 1,623,083
SubTotal	\$ 3,280,263	\$ 3,343,071	\$ 3,237,714	\$ 3,113,904	\$ 3,310,204	\$ 3,256,878
%Change (year over year)			-3.2%	-3.8%	6.3%	-1.6%
%Change (Test Year vs Last Rebasings Year - Actual)						-2.6%
Billing and Collecting	\$ 2,558,831	\$ 2,577,446	\$ 2,872,826	\$ 2,840,394	\$ 3,233,610	\$ 3,088,680
Community Relations	\$ 97,000	\$ 37,976	\$ 10,279	\$ 11,505	\$ 16,585	\$ 17,390
Administrative and General	\$ 2,917,931	\$ 2,831,493	\$ 2,999,741	\$ 3,146,313	\$ 4,432,371	\$ 4,107,559
SubTotal	\$ 5,573,763	\$ 5,446,914	\$ 5,882,845	\$ 5,998,212	\$ 7,682,566	\$ 7,213,629
%Change (year over year)			8.0%	2.0%	28.1%	-6.1%
%Change (Test Year vs Last Rebasings Year - Actual)						32.4%
Total	\$ 8,854,025	\$ 8,789,985	\$ 9,120,560	\$ 9,112,116	\$ 10,992,770	\$ 10,470,506
%Change (year over year)			3.8%	-0.1%	20.6%	-4.8%

2

	Last Rebasings Year (2013 Board-Approved)	Last Rebasings Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Operations	\$ 1,232,931	\$ 1,440,365	\$ 1,569,559	\$ 1,551,035	\$ 1,697,963	\$ 1,633,794
Maintenance	\$ 2,047,331	\$ 1,902,706	\$ 1,668,155	\$ 1,562,869	\$ 1,612,241	\$ 1,623,083
Billing and Collecting	\$ 2,558,831	\$ 2,577,446	\$ 2,872,826	\$ 2,840,394	\$ 3,233,610	\$ 3,088,680
Community Relations	\$ 97,000	\$ 37,976	\$ 10,279	\$ 11,505	\$ 16,585	\$ 17,390
Administrative and General	\$ 2,917,931	\$ 2,831,493	\$ 2,999,741	\$ 3,146,313	\$ 4,432,371	\$ 4,107,559
Total	\$ 8,854,025	\$ 8,789,985	\$ 9,120,560	\$ 9,112,116	\$ 10,992,770	\$ 10,470,506
%Change (year over year)			3.8%	-0.1%	20.6%	-4.8%

3

	Last Rebasings Year (2013 Board-Approved)	Last Rebasings Year (2013 Actuals)	Variance 2013 BA - 2013 Actuals	2014 Actuals	Variance 2014 Actuals vs. 2013 Actuals	2015 Actuals	Variance 2015 Actuals vs. 2014 Actuals	2016 Bridge Year	Variance 2016 Bridge vs. 2015 Actuals	2017 Test Year	Variance 2017 Test vs. 2016 Bridge
Operations	\$ 1,232,931	\$ 1,440,365	-\$ 207,434	\$ 1,569,559	\$ 129,194	\$ 1,551,035	-\$ 18,524	\$ 1,697,963	\$ 146,928	\$ 1,633,794	-\$ 64,169
Maintenance	\$ 2,047,331	\$ 1,902,706	\$ 144,625	\$ 1,668,155	-\$ 234,551	\$ 1,562,869	-\$ 105,286	\$ 1,612,241	\$ 49,372	\$ 1,623,083	\$ 10,842
Billing and Collecting	\$ 2,558,831	\$ 2,577,446	-\$ 18,615	\$ 2,872,826	\$ 295,380	\$ 2,840,394	-\$ 32,432	\$ 3,233,610	\$ 393,216	\$ 3,088,680	-\$ 144,930
Community Relations	\$ 97,000	\$ 37,976	\$ 59,024	\$ 10,279	-\$ 27,697	\$ 11,505	\$ 1,226	\$ 16,585	\$ 5,080	\$ 17,390	\$ 805
Administrative and General	\$ 2,917,931	\$ 2,831,493	\$ 86,439	\$ 2,999,741	\$ 168,248	\$ 3,146,313	\$ 146,572	\$ 4,432,371	\$ 1,286,058	\$ 4,107,559	-\$ 324,812
Total OM&A Expenses	\$ 8,854,025	\$ 8,789,985	\$ 64,040	\$ 9,120,560	\$ 330,574	\$ 9,112,116	-\$ 8,444	\$10,992,770	\$ 1,880,654	\$ 10,470,506	-\$ 522,264
Adjustments for Total non-recoverable items (from Appendices 2-JA and 2-JB)											
Total Recoverable OM&A Expenses	\$ 8,854,025	\$ 8,789,985	\$ 64,040	\$ 9,120,560	\$ 330,574	\$ 9,112,116	-\$ 8,444	\$10,992,770	\$ 1,880,654	\$ 10,470,506	-\$ 522,264
Variance from previous year				\$ 330,574		-\$ 8,444		\$ 1,880,654		-\$ 522,264	
Percent change (year over year)				4%		0%		21%		-5%	
Percent Change:						14.91%					
Test year vs. Most Current Actual											
Simple average of % variance for all years						19.12%					5%
Compound Annual Growth Rate for all years											3.6%
Compound Growth Rate (2015 Actuals vs. 2013 Actuals)						1.21%					

1 **Cost Driver Tables**

2 The following is a description of the primary drivers that have influenced the increase in BPI's OM&A
3 expenditures from 2013, when BPI last rebased up to and including the 2017 Test Year. Each driver is
4 summarized by its net change year over year. BPI has provided comments on those variances of
5 \$100,000 or greater, representing BPI's materiality threshold.

6 Table 4.2-B, Board Appendix 2-JB provides a list of the cost drivers that affected OM&A year over year
7 spending on a materiality threshold or where the cost driver is common or recurring expenditures that
8 has impacted multiple years. The OM&A opening balance for the last Rebasing Year of \$8,854,025 is the
9 OEB approved OM&A from BPI's 2013 Cost of Service Application.

10

Table 4.2-B: Cost Driver Table
Appendix 2-JB
Recoverable OM&A Cost Driver Table

OM&A	Last Rebasing Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
<i>Reporting Basis</i>					
Opening Balance	\$ 8,854,025	\$ 8,789,985	\$ 9,120,560	\$ 9,112,116	\$ 10,992,770
Professional fees - Strategic Plan / Job Evaluation	\$ 87,734	-\$ 40,125	\$ -	\$ -	\$ -
Smart meter contra - OM&A and amortization	-\$ 536,035	\$ 536,035	\$ -	\$ -	\$ -
Employee future benefits actuarial valuation and severance adjustments	\$ 252,373	-\$ 423,358	\$ -	\$ -	\$ -
Final settlement reduction during 2013 COS	\$ 108,275	\$ -	\$ -	\$ -	\$ -
Construction materials and supplies - line transformers	\$ -	\$ 85,917	\$ -	\$ -	\$ -
System integration projects	\$ -	\$ 156,763	-\$ 43,335	\$ 868,191	-\$ 486,476
Changes to shared services to affiliates	\$ -	-\$ 83,590	-\$ 248,029	\$ 64,868	\$ 90,894
Customer Billing - postage	\$ -	\$ 93,701	\$ -	\$ -	\$ -
Changes in staffing, wages and benefits	\$ -	-\$ 24,663	\$ 286,448	\$ 528,542	\$ 229,567
Adjustment to allowance for doubtful accounts	\$ -	\$ -	-\$ 271,499	\$ 204,716	\$ -
One-time costs relating to Cost of Service filing	\$ -	\$ -	\$ -	\$ 63,700	\$ -
Organizational Improvements / Strategic Initiatives	\$ -	\$ -	\$ 325,000	-\$ 53,000	\$ -
Restructuring of Shared Services Agreement	\$ -	\$ -	\$ -	\$ 151,545	-\$ 338,303
Direct Labour Project Mix (Capital vs. OM&A)	\$ -	-\$ 41,404	-\$ 157,114	\$ 109,337	-\$ 86,950
Fleet Amortization	\$ -	\$ -	\$ -	\$ 46,299	\$ 36,011
Other - Immaterial Variances	\$ 23,613	\$ 71,297	\$ 100,085	-\$ 103,544	\$ 32,993
Closing Balance	\$ 8,789,985	\$ 9,120,560	\$ 9,112,116	\$ 10,992,770	\$ 10,470,506

11

12 **Smart Meter Contra – OM&A and amortization**

13 The 2013 Board Approved OM&A costs were settled in February 2014, using November 2013 YTD
14 actuals to project the costs for the remainder of the year. The 2013 Actual OM&A costs included a credit
15 of \$174,035 representing smart meter operating costs that were reallocated from OM&A to Account
16 1555 (Smart Meter Capital & Recovery) as the disposition of smart meters did not occur until February
17 2014. The remaining \$362,000 represents amortization expense on smart meters that was offset by
18 5705 (amortization expense). These adjustments were not reflected in the Board Approved OM&A
19 costs. The smart meter disposition took place in February 2014, as a result of the 2013 Cost of Service
20 application, and therefore smart meter operating costs remained in OM&A during 2014 and future

1 years. Beginning in 2014, amortization expense on smart meters was posted directly to account 5705,
2 instead of a regulatory asset account.

3 ***Employee Future Benefits Actuarial Valuation and Severance Adjustments***

4 The increase in 2013 Actuals compared to 2013 Board Approved costs primarily relate to a restructuring
5 provision accrual that was made during 2013 year end, and paid in 2014 following the implementation
6 of the restructuring plan. The 2013 accrual was estimated too high by approximately \$85,000 and
7 therefore reversed in 2014, resulting in a decrease in 2014 compared to 2013. The remaining variance
8 between 2013 and 2014 relates to post-retirement benefits, in which the 2013 expense was higher than
9 2014.

10 ***Final settlement reduction during 2013 Cost of Service***

11 As noted above, the 2013 Cost of Service application was settled in February 2014, and 2013 OM&A
12 Costs were projected based on November 2013 YTD actuals. The final settlement resulted in a further
13 reduction to OM&A of \$108,275. As the costs for 2013 had already been incurred, this reduction created
14 a variance between 2013 Board Approved and 2013 Actuals.

15 ***System Integration Projects***

16 During 2014 as outlined in BPI's 2013 Cost of Service Application, a System Integration Study was
17 completed by an independent consultant, who identified a number of critical projects BPI needed to
18 implement in order to achieve an information systems infrastructure that was in keeping with good
19 utility practices with the potential of achieving organizational efficiencies through improved integration
20 between systems and enhanced availability of timely and enhanced management information. Of these
21 projects, a new Financial Information System (FIS) and a new Customer Information System (CIS) were
22 the top two critical projects identified by the consultant. Other minor system projects included a new
23 Outage Management System (OMS) and Web presentment of TOU/Interval data.

24 As a result of this study, BPI's Board of Directors and SLT assessed the need for a new FIS and CIS and
25 determined it was of utmost importance to replace these systems, in order to continue meeting the
26 needs of BPI's customers. The implementation of a new FIS and CIS was added to BPI's strategic plan
27 and the procurement processes have begun, with forecasted implementation dates in 2016 and 2017
28 respectively.

29

30

1 Financial Information System (FIS)

2 The FIS project was determined to be important, mainly due to the magnitude of manual work being
3 performed to balance, reconcile and integrate BPI's current dual systems, with part of the financial
4 functions being performed in the City of Brantford's FIS system, and others performed in the current FIS
5 modules of BPI's CIS system. This has required significant manual effort to collate, reconcile and report
6 financial information, contributing to significant delays in closing and reporting monthly financial results
7 while operating in an environment containing a significantly higher degree of inherent risk of errors.
8 The poor timeliness has reduced the potential for management to receive and analyze financial
9 information, further increasing the risk of errors going undetected. More importantly, the lack of timely
10 and comprehensive financial information results in significant challenges for Management to monitor
11 and proactively manage the financial performance of operations and capital projects.

12 Other significant issues with the current FIS include:

- 13 • BPI currently uses the City of Brantford's finance system, which is not designed or configured for
14 a local distribution company, but instead for a municipal corporation. Any changes to the system
15 are governed by the overall City technology direction with inability to tailor the system for BPI's
16 business needs unless they can be accommodated within the broader users of the system.
- 17 • Finance staff is often required to work overtime hours resulting in higher costs to meet
18 reporting deadlines. Monthly financial statements and other financial information are typically
19 not available until the month end following the accounting period close and occasionally when
20 balancing difficulties are encountered, they can be delayed even further.
- 21 • A number of finance related functions are purchased as shared services from the City of
22 Brantford, as BPI does not have the capabilities to perform these functions in-house with its FIS.
- 23 • Productivity losses result as Finance Staff must configure and maintain numerous manual
24 spreadsheets to perform routine and important finance functions to compensate for existing
25 system shortcomings.

26 Although the current FIS model has allowed BPI to meet the primary requirements, BPI is looking to
27 transition to a financial system tailored to the LDC business more in keeping with those used in the
28 industry. This is expected to minimize manual work which will provide for productivity savings that will
29 allow existing staffing to spend time analyzing and interpreting operating and project costing results for
30 opportunities for improvements. This will also improve the timeliness and reliability of financial
31 reporting. BPI's investment in a new FIS is expected to bring a number of opportunities through an
32 integrated system encompassing all finance functions and supporting enhanced budgeting and reporting
33 capabilities.

1 The Manager of Finance was seconded to this project in 2013, with the intention of dedicating most of
2 their time as a Subject Matter Expert (SME) and finance lead. A dedicated Project Manager was also
3 hired in early 2016 and assigned to this project. During 2014, BPI worked with the City of Brantford
4 procurement team and issued a Request For Information (RFI) and obtained responses from several
5 vendors. BPI visited and surveyed a number of LDCs representing users of various systems to
6 understand the type of solutions they have deployed and gather information and best practices in the
7 LDC space. This information provided a basis of FIS requirements for the procurement process. In early
8 2015, BPI issued a Request For Proposal (RFP), reviewed and short-listed the vendors, obtained
9 reference checks and issued a request for Best and Final Offer (BAFO) from the short listed vendors
10 before selecting the preferred vendor that best suited BPI. BPI has initiated a planning phase for the
11 project to finalize the scope of work, the obligations of both parties and the final costs to be
12 incorporated into legal agreements. This process is currently ongoing.

13 BPI considered various alternatives through a staged selection process, short listing options that best fit
14 BPI's needs and progressing to a best-fit, most preferred solution and vendor. A number of vendors did
15 not come close to covering the breadth of requirements BPI was asking for or did not demonstrate the
16 specific application or use in the LDC market space. These vendor costs were comparable to what the
17 preferred vendor proposed, therefore allowing BPI to make a decision based on overall value including
18 functionality, breadth of coverage of BPI's needs, LDC experience and level of BPI resources required to
19 implement.

20 The new FIS is expected to be in service on December 31, 2016, with design, configuration, testing and
21 training starting by the end of May 2016. The new FIS will integrate seamlessly with other systems used
22 by BPI, and will also incorporate processes currently performed in other systems, including inventory,
23 workforce management, payroll, job costing, billable work orders and financial reporting. The new FIS
24 will incorporate a budgeting solution that minimizes the current manual and spreadsheet based
25 budgeting process, as well as incorporate data modelling and reporting that supports BPI's reporting
26 needs for financial and regulatory reporting purposes. Most of the benefits of a new FIS relate to better
27 timing of information, more efficient use of time spent by finance employees, greater confidence in the
28 financial information provided, which BPI's Board of Directors has determined to be very important.
29 There are also efficiencies that would directly relate to BPI's customers, including more timely refunds
30 on customer credit balances issued from FIS.

31 BPI has budgeted the costs for the capital investment, implementation and operating costs based on
32 estimates provided by the preferred vendor, at the beginning of the project's planning phase. BPI has
33 budgeted an investment in computer software of \$845,907 in 2016, relating to the new FIS. A

1 breakdown of the forecasted OM&A costs for the 2016 Bridge Year, 2017 Test Year and future years are
2 summarized in Table 4.2-C below.

3 **Table 4.2-C: Financial Information System – Implementation and OM&A costs**

OM&A Costs	2016 Bridge Year	2017 Test Year	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast
Annual support fees of current FIS, paid to City of Brantford	14,211	14,211	14,211	14,211	14,211	14,211
Implementation costs of new FIS	596,786	108,000	-	-	-	-
Annual support/hosting fees of new FIS	167,431	167,431	167,431	167,431	167,431	167,431
Total	\$ 778,428	\$ 289,642	\$ 181,642	\$ 181,642	\$ 181,642	\$ 181,642

4
5 As the OM&A costs in the 2017 Test Year include implementation costs on the new FIS that are not
6 expected to continue in future years, BPI has treated these expenses similar to one-time costs, by
7 amortizing them over the next 5 years, capturing only 1/5th of the costs in revenue requirement. The
8 total costs forecasted between 2017 and 2021 have been included in Table 4.2-F below, illustrating the
9 adjustment made to revenue requirement.

10 Customer Information System (CIS)

11 The System Integration Study completed in 2014, also identified CIS replacement as a critical project,
12 primarily due to the current CIS being very outdated (over 25 years old), with poor integration
13 capabilities and inability to upgrade versions without significant investment. The consultant identified
14 that the current CIS is nearing end-of-life and as a result, the project was ranked second top priority,
15 after FIS.

16 Significant issues identified with the current CIS include:

- 17
- 18 • High risk of reduced or more expensive vendor support, as most LDCs that have used this system
19 have migrated to other CIS platforms that are much more current.
 - 20 • Limited ability for regulatory reporting and support, with high efforts to perform enhancements
21 and changes to maintain the system. Any changes due to regulatory or environmental changes,
22 that impact all LDCs in the Ontario LDC market, need to be programmed into the current CIS by
23 BPI's CIS programmers, which take a significant amount of time and cost. With the current
24 vendor experiencing reduced market share in Ontario LDC's, BPI expects that the costs to
25 comply with new market requirements will increase as the number of LDC's which can share this
development costs will continue to be reduced.

- 1 • Off-cycle and interim billing;
- 2 • User friendly interface and navigation;
- 3 • Meter management;
- 4 • Pole and transformer inventory in service;
- 5 • Cashiering functionality;
- 6 • Delinquent account management;
- 7 • Work order management;
- 8 • Accounts receivable management;
- 9 • Consumption billing process;
- 10 • Outage management and integration with other systems used by BPI

11 The new CIS is expected to be in service December 31, 2017 and BPI has forecasted the costs based on
 12 estimates provided from the RFI process. BPI has budgeted an investment in computer software of
 13 \$682,149 in 2017, relating to the new CIS. A breakdown of the forecasted OM&A costs for the 2016
 14 Bridge Year, 2017 Test Year and future years are summarized in Table 4.2-D below.

15 **Table 4.2-D: Customer Information System – Implementation and OM&A costs**

OM&A Costs	2016 Bridge Year	2017 Test Year	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast
Annual support fees of current CIS, paid to City of Brantford	636,775	649,511	-	-	-	-
Implementation costs of new CIS	-	746,163	-	-	-	-
Annual support/hosting fees of new CIS	-	100,463	426,719	363,312	364,903	366,542
Total	\$ 636,775	\$1,496,137	\$ 426,719	\$ 363,312	\$ 364,903	\$ 366,542

16
17
18 As the OM&A costs in the 2017 Test Year include implementation costs and annual support fees that are
 19 expected to decrease significantly in future years, BPI has normalized the costs by amortizing the total
 20 costs from 2017 to 2021 evenly over the 5 years, reducing revenue requirement in the 2017 Test Year.
 21 The total costs forecasted between 2017 and 2021 have been included in Table 4.2-F below, illustrating
 22 the adjustment made to revenue requirement.

23 *Other System Integration Projects*

24 The System Integration Study also identified some other projects that BPI should consider to improve
 25 the integration of organizational systems. The list of projects was reviewed by BPI management and
 26 prioritized, using a set of guiding principles for systems integration initiatives including, productivity,
 27 security, adaptability, standards, performance, sound investment and consistency with the Strategic

1 Plan. BPI is implementing these systems over the next few years, with the assistance of the Project
2 Manager hired. Of these projects, E-Services and Operational Data Store (ODS) Integration were
3 completed in 2014 and 2015, and Outage Management System (OMS) and Web Presentment are
4 expected to be completed and be in-service by the end of 2017.

5 Currently, BPI does not have robust OMS and tracks outages in an old MS Access database by recording
6 outages after they occur. The database and reporting has significant limitations on being able to track
7 the exact impact of the outage and customers impacted. As a result, BPI operates with delayed or partial
8 information on outages, which limits BPI's ability to proactively respond and manage outages, including
9 communication to customers.

10 An OMS is expected to bring a number of opportunities including:

- 11 • Reduced outage durations due to faster restoration based on outage location predictions,
- 12 • Reduced outage duration averages due to prioritizing
- 13 • Ability to prioritize restoration of emergency facilities and other critical customers.
- 14 • Anticipated elimination of manual effort in tracing outages in the MS database and instead
15 enabling BPI operations staff to pick outage information already interfaced to the system and
16 focus efforts on resolution, communication and responding to the outage.

17 Overall, OMS is expected to improve operations, timely reporting, and communication to customers and
18 field staff, to better respond to outages. BPI has budgeted the costs for an OMS based on a vendor
19 quote and internal costs based on comparison of like projects where full estimates were drawn up.
20 OMS is scheduled to be in service in 2017 and run in parallel to CIS because it is a smaller initiative and
21 will be managed by a separate department within BPI. A breakdown of the forecasted OM&A costs for
22 the 2016 Bridge Year, 2017 Test Year and future years is summarized in Table 4.2-E below.

23 Currently, BPI is not able to provide customers with a view of Time of Use (TOU) data that is being used
24 by the current CIS to calculate billings. Making this data available directly to customers would allow
25 them to understand their usage patterns, manage their consumption, conserve energy and save on their
26 bills. This investment would also place BPI on par with other Ontario LDCs and allow for compliance with
27 the OEB expectations to present TOU information on the web for customers to view and monitor.
28 Furthermore, this initiative will be in keeping with customer feedback received through engagement
29 surveys indicating a desire for timely view of consumption information.

30 BPI plans to invest in Time of Use (TOU) with an anticipated in-service date in late 2017. TOU is planned
31 for 2017, along with CIS, to allow for building the integration and calculations required in the new CIS
32 and make that same data available to customers via web presentment. BPI prepared its budget for TOU

1 based on a quote received from a vendor in late 2011, factoring in price escalations. A breakdown of the
 2 forecasted OM&A costs for the 2016 Bridge Year, 2017 Test Year and future years are summarized in
 3 Table 4.2-E below.

4 **Table 4.2-E: Other System Integration Projects – Implementation and OM&A costs**

OM&A Costs	2016 Bridge Year	2017 Test Year	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast
Outage Management System						
Procurement and Implementation	31,029	134,607	-	-	-	-
Annual support/hosting fees	-	-	14,470	14,470	14,470	14,470
Web presentment of TOU/Interval Data						
Procurement and Implementation	-	172,298	-	-	-	-
Annual support/hosting fees	-	-	29,291	29,882	30,492	31,119
Other System Integration Projects						
Procurement, Implementation and Annual Support/Hosting fees	-	-	44,375	6,250	6,250	6,250
Total	\$ 31,029	\$306,905	\$ 88,136	\$ 50,603	\$ 51,212	\$ 51,839

5
 6 As the OM&A costs in the 2017 Test Year include implementation costs for OMS and TOU that are not
 7 expected in future years, BPI has normalized the costs by amortizing the total costs from 2017 to 2021
 8 evenly over the 5 years, reducing revenue requirement in the 2017 Test Year. See Table 4.2-F below for
 9 details.

10 **Table 4.2-F: System Integration Projects – Normalization of Implementation and OM&A costs**

OM&A Costs	2017 Test Year	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	Average (2017 to 2021)
Financial Information System	289,642	181,642	181,642	181,642	181,642	203,242
Customer Information System	1,496,137	426,719	363,312	364,903	366,542	603,523
Other System Integration Projects	306,905	88,136	50,603	51,212	51,839	109,739
Sub-Total	2,092,684	696,497	595,557	597,757	600,023	916,504
Average	916,504	916,504	916,504	916,504	916,504	916,504
Difference - Increase (Decrease)	\$ (1,176,180)	\$ 220,007	\$ 320,947	\$ 318,747	\$ 316,480	\$ -

11
 12 The 2017 Test Year includes \$916,504 of OM&A costs relating to System Integration Projects, which was
 13 reduced by \$1,176,180 from the actual costs expected to be incurred in the Test Year. The total costs
 14 included in the 2017 Test Year has led to an overall increase of \$495,000 from the 2013 Board Approved
 15 OM&A costs, which consisted of system support fees paid to the City of Brantford.

1 BPI has not included any 2016 implementation costs in revenue requirement, which are forecasted to be
2 approximately \$630,000.

3 ***Changes to Shared Services to Affiliates***

4 During 2014, the Board of Directors made the strategic decision to share the costs of the organization's
5 executive leadership, consisting of the President & Chief Executive Officer (CEO) and the Chief Financial
6 Officer (CFO) & VP Corporate Services, in order to achieve greater efficiencies in managing the Brantford
7 Energy Group of Companies, consisting of BPI's parent company, Brantford Energy Corporation (BEC)
8 and affiliated companies, Brantford Hydro Inc. (BHI) and Brantford Generation Inc. (BGI) in addition to
9 BPI.

10 As a result of this change, effective March 2014, the President & CEO began overseeing the entire BEC
11 group and effective August 2014, the CFO & VP Corporate Services began overseeing the entire BEC
12 group. The Finance Department began providing services to the BEC Group on January 1, 2015,
13 resulting in cost sharing of salaries, benefits and other expenses. The shared costs are allocated on the
14 basis of time spent on each of the companies, tracked through time-docketing. All costs, including
15 indirect allocations, that do not relate to BPI are allocated to 4380 (Expenses from Non-Utility
16 Operations) and billed to the affiliate companies.

17 2015 was the first full year the shared services were provided to the affiliates, contributing to a
18 significant decrease in BPI's share of costs between 2014 and 2015 actuals. BPI is forecasting a decrease
19 in services provided to the affiliates in the 2017 Test Year, resulting in an increase in OM&A, as BPI will
20 no longer be providing services to BGI, as a result of the plan to sell BGI's assets to the City of Brantford,
21 in 2016.

22 ***Changes in Staffing, Wages and Benefits***

23 Changes to staffing and wages during 2015, 2016 and 2017 have led to material variances in OM&A.

24 Effective March 12, 2014, BPI's Senior Leadership Team (SLT) was restructured in order to better align
25 with BPI's strategic goals. Four senior leadership roles, comprising of the Director of Regulatory Affairs,
26 Director of Energy and Operations, Chief Financial Officer and Director of Engineering and Construction,
27 were reduced to three roles, comprising of the Vice President of Engineering and Operations, Vice
28 President of Customer Service and Conservation and Vice President of Corporate Services. Two of the
29 original four leaders left BPI in early 2014, while the new VP of Customer Service did not commence
30 employment with BPI until the end of May 2014. The reduction in wages and benefits during 2014 as a
31 result of this change was mainly offset by other staffing changes, contributing to an overall minimal
32 decrease from 2013 to 2014.

1 As 2015 was the first full year of the VP of Customer Service role, compared to approximately 5 months
2 during 2014, this contributed to an increase between the 2014 and 2015 wages and benefits. In
3 addition, a number of employees were added in the Customer Service and Collections Departments at
4 the end of 2014 and beginning of 2015, creating a significant increase in overall wages and benefits.
5 These additional employees comprised of several individuals who had returned to work that had been
6 on sick leave during previous years, as well as the two contract employees that were hired, largely in
7 preparation for the billing changes occurring in January 2016 and the implementation of OESP. A
8 number of other staffing changes occurred during 2014 and 2015, all of which offset each other and
9 none of which were individually material. These changes are highlighted in detail in the Compensation
10 Section, in 4.4 below.

11 The VP of Customer Service and additional employees in Customer Service and Collection Departments
12 contributed to approximately \$250,000 of the increase from 2014 to 2015. The remaining increase
13 relates to overtime and wage increases, given to both union and non-union employees. As noted in the
14 Compensation section below, non-union employees (representing mostly management) are given wage
15 increases that combine evaluation of job performance and merit and a modest inflationary increase,
16 while union employees are given increases based on the wage grids negotiated in the collective
17 agreements.

18 A further increase in wages and benefits was forecasted in 2016 due to an additional foreman position
19 created at the end of 2015, for which a full year has been forecasted in 2016. This position has an
20 element of succession planning associated with it, taking into consideration that three other Key
21 Operations management staff become eligible for retirement within the next five year period. In
22 addition to this, the replacement of a Regulatory Analyst who left and created a vacancy for 3 months
23 during 2015, as well as the addition of another Regulatory Analyst to bring this department back to its
24 full complement, has been forecasted in 2016. The Regulatory department is primarily responsible for
25 preparing Regulatory Filings and Rate Applications, ensuring regulatory and legislative compliance and
26 providing input to the various regulatory agencies. This department had been operating below the
27 organizational requirements, as a result of staff departures during 2014 and 2015.

28 At the end of 2015, BPI filled the role of the Manager of Settlement and Billing, which had been re-
29 purposed from the vacant role of Manager of Metering and Settlement. This, in addition to the planned
30 secondment of an existing Settlement Energy and Smart Meter Officer to the position of Acting
31 Supervisor, Settlement and Billing in 2016 has further contributed to the increase in wages and benefits
32 from 2015. BPI has determined these positions are necessary, as a result of a reorganization of the
33 Settlement and Billing functions during 2016, which stemmed from the Meter to Cash Study completed
34 in 2014. Details of the Meter to Cash Study are included in the Compensation Section, in 4.4 below.

1 The remaining increase from 2015 to 2016 relates to forecasted wage increases for its union and non-
2 union employees. The IBEW collective agreement expires in May 2016, which has resulted in the need to
3 forecast wage increases based on BPI's reasonable expectation of the outcomes that will be negotiated.

4 BPI anticipates a further increase in wages and benefits during 2017, as a result of an additional
5 linesperson added during 2016 as well as wage increases for both union and non-union employees. The
6 CUPE collective agreement expires in April 2017 and as noted above, the IBEW collective agreement
7 expires in May 2016, which has resulted in BPI forecasting wage increases based on its reasonable
8 expectation of the outcomes that will be negotiated.

9 Increase in salary, wages and benefits relating to System Integration Projects, services provided to
10 affiliates and restructuring of Shared Services Agreement have been included in their respective cost
11 driver sections.

12 ***Adjustment to Allowance for Doubtful Accounts***

13 During 2015, it was determined that the balance in allowance for doubtful accounts was too high in
14 comparison to actual bad debts written off each year. As a result, in 2015 BPI reduced the allowance for
15 doubtful accounts, which was offset against bad debt expense. This reduction contributed to a one time
16 significantly lower net bad debt expense of \$95,000 in 2015, compared to \$300,000 to \$370,000 in
17 historical years. The bad debt expense in the 2016 Bridge Year and 2017 Test Year is forecasted to be
18 \$300,000, comparable with years prior to 2015.

19 ***Organizational Improvements and Strategic Initiatives***

20 Included in BPI's 2016 Bridge Year and 2017 Test Year are budgeted costs for organizational
21 improvements that BPI's SLT and Board of Directors have identified as essential. Since 2012, BPI
22 continued to follow City of Brantford employment policies that were adopted on an interim basis from
23 the City when BPI restructured its previous virtual utility model to a more traditional structure where a
24 majority of employees reside in the LDC.

25 In order to ensure BPI policies are suitable for the organization and in line with the electricity sector, BPI
26 plans to review and update these transitional policies. In addition to this, BPI is looking to continuously
27 develop its staff to improve efficiencies and overall industry knowledge. As the electricity industry
28 continues to change, BPI has identified the need for continuous development of its employees and
29 leaders and therefore plans to provide formal training to its staff on key industry changes and further
30 develop their skills to allow for continued quality service provided to BPI's customers and productivity
31 improvements.

1 BPI has developed a robust strategic plan, however expects to revisit this strategic plan annually, with
2 analysis provided by 3rd party consultants, as a result of ongoing changes in the electricity sector. BPI
3 anticipates time-sensitive, non-discretionary activities that will need to be completed each year.

4 The requirements around customer engagement have increased on local and provincial industry issues,
5 which have resulted in the need for BPI to invest more operating funds in order to meet the
6 requirements put forth by the OEB. In order for BPI to maintain the satisfaction and safety of its
7 customers, BPI has forecasted funds for annual customer satisfaction surveys, public awareness of
8 electrical safety surveys and ongoing transactional surveys.

9 BPI believes the ability to obtain sample customer feedback immediately following customer
10 interactions with the business through transactional surveys, provides a more timely and immediate
11 feedback mechanism on which BPI can identify opportunities for improvement and the development of
12 coaching and training for staff when issues are identified. Although this activity is not mandatory, BPI
13 believes it enhances its ability to stay abreast of customer needs and concerns with respect to BPI
14 services.

15 In addition to the above, during 2015, BPI's expenses for Outside Services Employed (account 5630)
16 increased significantly over 2014. While the total amount meets BPI's materiality threshold, this amount
17 is comprised of several items, the largest of which relate to one-time contingency provisions following
18 an internal review of administrative matters within BPI. That increase has no impact on the 2016 Bridge
19 Year or 2017 Test Year.

20 ***Restructuring of Shared Services Agreement***

21 BPI has forecasted \$2,186,017 in service level charges payable to the City of Brantford in 2016, which
22 have been summarized in Table 4.5-A, Appendix 2-N. As described in Exhibit 2, BPI is in the process of
23 acquiring and occupying a consolidated location in 2016. With the current SSA expiring December 31,
24 2016, , BPI has assessed each of the services provided by the City of Brantford, to determine whether it
25 was in the interest of BPI and its customers to assume some of these services. BPI determined that with
26 the establishment of consolidated facilities and the implementation of a new FIS, BPI would no longer
27 require rental facilities and could be in the position to become self-sufficient in the provision of accounts
28 payable and payroll services within the current funding levels. Given the significant changes planned in
29 2016-2017 with the consolidation of facilities and the implementation of FIS and CIS, BPI has indicated
30 to the City of Brantford that it intends to renew the current arrangements for other shared services into
31 2017.

1 The increase in the 2016 Bridge Year relates to overlap costs that would be required to operate the new
2 facility while still paying the rental fees for the three currently leased locations leased from the City of
3 Brantford, of \$65,000. A new facility/project manager has been forecasted in the 2016 Bridge Year,
4 which has contributed to an increase of \$38,000 of wages and expenses in OM&A. The remaining wages
5 and expenses relating to this new position are expected to be eligible for capitalization in 2016. The
6 remaining increase in the 2016 Bridge Year relates to an additional employee forecasted to perform
7 payroll and accounts payable services.

8 A decrease is expected in the 2017 Test Year as the facility management services and rental fees paid to
9 the City of Brantford, totaling \$574,902 in 2016, would be eliminated. In addition to this, accounts
10 payable, payroll and purchasing service fees paid to the City of Brantford forecasted to total \$87,039 in
11 2016, would also be eliminated. The reduction in total OM&A costs is partially offset by an increase in
12 operating costs forecasted for the building, due to a full year in 2017, and the facility/project manager
13 that would be 100% expensed in 2017, contributing to an increase of \$320,000. BPI notes that the
14 operating costs for the new building included in the 2017 Test Year revenue requirement represents
15 35% of the total operating costs expected to be incurred on this facility. See Exhibit 2 for details.

16 ***Direct Labour Project Mix (Capital vs. OM&A)***

17 Operations and engineering wages and benefits vary year over year, between capital and OM&A
18 projects, depending on the work orders issued. During 2015, there was a significant increase in
19 operations and engineering labour allocated to capital projects, reducing the overall labour included in
20 OM&A. The increase is partially due to an increase in payroll burden allocation, as a result of allocating
21 total indirect labour costs between capital and OM&A projects, compared to only OM&A projects in
22 2013 and 2014. In addition to this, the increase in labour costs to capital projects was due to an increase
23 in overhead services, pole replacement costs and one-time projects that occurred during 2015. There
24 was a significant increase in the number of overhead locations requiring servicing in 2015 as well some
25 complex pole replacements requiring more time and attention than those experienced in a typical year.
26 The 2016 Bridge Year was forecasted consistently with years prior to 2015, as the amount of capital
27 work required is expected to return to historical averages.

28 **OM&A Cost per Customer and Full-Time Equivalent**

29 Included in Table 4.2-G, Board Appendix 2-L is a summary of the OM&A Cost per Customer and per Full-
30 Time Equivalent (FTE). The FTEs agree to the numbers shown in the Compensation Section 4.4 below.
31 The number of customers is based on the annual average for each rate class of metered customers. The
32 number of FTEs is the average for each of the years.

1 **Table 4.2-G: Recoverable OM&A Cost per Customer and per FTE**

Appendix 2-L
Recoverable OM&A Cost per Customer and per FTE ¹

	Last Rebasing Year - 2013- Board Approved	Last Rebasing Year - 2013- Actual	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Reporting Basis						
Number of Customers ^{2,4}	38,548	38,401	38,685	38,968	39,342	39,722
Total Recoverable OM&A from Appendix 2-JB	\$ 8,854,025	\$ 8,789,985	\$ 9,120,560	\$ 9,112,116	\$ 10,992,770	\$ 10,470,506
OM&A cost per customer	\$ 229.69	\$ 228.90	\$ 235.76	\$ 233.84	\$ 279.42	\$ 263.59
Number of FTEs ^{3,4}	58	58	54	56	63	66
Customers/FTEs	667.49	666.91	713.73	701.53	623.42	605.95
OM&A Cost per FTE	153,314.41	152,654.88	168,272.94	164,041.74	174,193.73	159,724.08

2
 3 **Capitalized OM&A**

4 BPI has included Table 4.2-H, Appendix 2-D below representing capitalized OM&A costs, including labour
 5 and fleet. Explanations for material variances year over year in labour are explained above in Direct
 6 Labour Project Mix (Capital vs OM&A). There are no material variances relating to fleet costs capitalized.

7 **Table 4.2-H: Capitalized OM&A**
 Appendix 2-D
 Overhead Expense

Applicants are to provide a breakdown of OM&A before capitalization in the below table. OM&A before capitalization may be broken down by cost center, program, drivers or another format best suited to focus on capitalized vs. uncapitalized OM&A.

OM&A Before Capitalization	2013 Historical Year	2014 Historical Year	2015 Historical Year	2016 Bridge Year	2017 Test Year
Fleet	\$ 518,617	\$ 546,658	\$ 611,904	\$ 578,944	\$ 586,547
Direct Labour - Operations/Engineering	\$ 2,634,128	\$ 2,394,179	\$ 2,500,308	\$ 2,578,100	\$ 2,784,067
Distribution Operations and Maintenance	\$ 1,083,062	\$ 1,283,756	\$ 1,233,075	\$ 1,185,681	\$ 1,015,833
Billing and Collecting	\$ 2,544,160	\$ 2,840,066	\$ 2,800,563	\$ 3,198,553	\$ 3,052,409
Community Relations	\$ 37,933	\$ 10,279	\$ 11,033	\$ 15,775	\$ 16,572
Administrative and General	\$ 2,830,000	\$ 2,999,306	\$ 3,144,281	\$ 4,582,012	\$ 4,103,843
Total OM&A Before Capitalization (B)	\$ 9,647,901	\$ 10,074,243	\$ 10,301,164	\$ 12,139,065	\$ 11,559,270

Applicants are to provide a breakdown of capitalized OM&A in the below table. Capitalized OM&A may be broken down using the categories listed in the table below if possible. Otherwise, applicants are to provide its own break down of capitalized OM&A.

Capitalized OM&A	2013 Historical Year	2014 Historical Year	2015 Historical Year	2016 Bridge Year	2017 Test Year	Directly Attributable? (Y/N)	Explanation for Change in Overhead Capitalized
Direct Labour - Operations/Engineering	\$ 664,409	\$ 727,389	\$ 902,479	\$ 767,497	\$ 860,426	Y	Directly attributable to total labour costs charged to capital
Wages and Benefits - Facility/Project Manager	\$ -	\$ -	\$ -	\$ 154,392	\$ -	Y	Directly attributable to total labour costs charged to capital
Fleet	\$ 193,507	\$ 226,294	\$ 286,570	\$ 224,406	\$ 228,338	Y	Directly attributable to total labour costs charged to capital
Total Capitalized OM&A (A)	\$ 857,916	\$ 953,683	\$ 1,189,049	\$ 1,146,295	\$ 1,088,764		
% of Capitalized OM&A (=A/B)	9%	9%	12%	9%	9%		

8

Total OM&A After Capitalization (B-A)	\$ 8,789,985	\$ 9,120,560	\$ 9,112,116	\$ 10,992,770	\$ 10,470,506
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1 **4.3 Program Delivery Costs with Variance Analysis**

2 **4.3.1 Program Delivery Costs with Variance Analysis**

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4 **Materiality Threshold**

5 In accordance with Chapter 2 of the Filing Requirements, an applicant must provide justification for
6 changes from year to year to its rate base, capital expenditures and OM&A spending above a materiality
7 threshold. BPI's materiality threshold is calculated as 0.5% of proposed distribution revenue
8 requirements for distributors with a revenue requirement of greater than \$10 million and less than or
9 equal to \$200 million. As discussed in Exhibit 1, BPI calculated its materiality threshold based on an
10 estimated Service Revenue Requirement of \$20,245,835 which resulted in a materiality level of
11 \$101,229. BPI has adopted a threshold of \$100,000 for variance analysis.

12 BPI has a variety of programs activities and initiatives that are imperative in order for BPI to continue to
13 provide reliable and affordable service to customers and ultimately to provide customer satisfaction. In
14 Table 4.3-A, Board Appendix 2-JC, BPI has identified its programs and major functions on a comparative
15 basis from 2013 Board approved to the 2017 Test Year. These programs contribute to achieving the new
16 Renewed Regulatory Framework performance outcomes of Customer Focus, Operational Effectiveness,
17 and Public & Regulatory Responsiveness. This shows the alignment of BPI's direct costs and the
18 management of the costs associated with the outcomes. An analysis is provided below on all material
19 variances that exceed the materiality threshold for the 2017 Test Year versus 2015 Actual and 2017 Test
20 Year versus the 2013 Board Approved.

1

Table 4.3-A: OM&A Programs Table

Appendix 2-JC
OM&A Programs Table

Programs	Last Rebasing Year (2013 Board-Approved)	Last Rebasing Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year	Variance (Test Year vs. 2015 Actuals)	Variance (Test Year vs. Last Rebasing Year (2013 Board-Approved))
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS		
OPERATIONS								
Operation of Distribution Station	31,853	30,865	36,340	37,056	40,499	40,547	3,491	8,694
Transformer Substations	146,932	141,746	116,684	91,145	109,941	108,953	17,808	(37,979)
Overhead Distribution Lines/Feeders	15,917	17,225	49,047	20,970	29,956	29,105	8,134	13,187
Underground Distribution Lines/Feeders	74,881	89,367	96,998	103,296	140,982	141,121	37,825	66,240
Load Dispatching	35,013	38,568	86,328	59,730	123,751	122,569	62,839	87,556
Miscellaneous Distribution	248,655	248,607	329,871	282,173	304,627	289,039	6,866	40,385
Distribution Meters	317,336	260,782	276,540	307,904	321,158	324,178	16,273	6,842
Customer Premises	1,000	1,746	986	325	1,549	1,495	1,170	495
Supervision	47,509	465,017	451,091	427,083	329,851	325,894	(101,189)	278,385
Stores/Fleet/Property Allocations	313,835	146,441	125,675	221,353	295,649	250,893	29,540	(62,942)
Sub-Total	1,232,931	1,440,365	1,569,559	1,551,035	1,697,963	1,633,794	82,759	400,863
MAINTENANCE								
Supervision	482,238	259,237	519	81,810	0	0	(81,810)	(482,238)
Overhead Distribution Lines/Feeders	438,677	414,393	393,459	467,727	589,852	592,238	124,511	153,561
Underground Distribution Lines/Feeders	401,289	373,731	414,059	399,569	420,305	410,401	10,832	9,112
Maintenance of Poles, Towers & Fixtures	27,822	42,529	110,187	45,938	86,014	86,284	40,345	58,462
Line Transformers	200,172	73,543	134,026	23,440	71,659	69,311	45,871	(130,861)
Miscellaneous	4,058	6,298	15,342	10,841	14,481	11,854	1,013	7,796
Tree Trimming	381,218	376,223	320,062	362,950	337,587	344,339	(18,611)	(36,879)
Stores Allocations	111,858	356,751	280,500	170,594	92,343	108,657	(61,937)	(3,201)
Sub-Total	2,047,331	1,902,706	1,668,155	1,562,869	1,612,241	1,623,083	60,215	(424,248)
CUSTOMER SERVICE								
Billing/Supervision	1,511,931	1,491,525	1,741,949	1,889,897	2,061,433	1,879,282	(10,615)	367,351
Meter Reading	408,000	394,460	367,529	471,575	435,837	419,175	(62,400)	11,175
Collections	319,900	334,188	396,565	383,638	436,340	490,223	106,585	170,323
Bad Debts	319,000	357,273	366,783	95,284	300,000	300,000	204,716	(19,000)
Community Relations	97,000	37,976	10,279	11,505	16,585	17,390	5,885	(79,610)
Sub-Total	2,655,831	2,615,421	2,883,104	2,851,899	3,250,195	3,106,070	254,171	450,239
ADMINISTRATION								
Administration								
Wages/Employee Benefits	2,240,931	2,470,208	2,215,474	2,238,470	2,979,215	2,689,113	450,642	448,181
General Administration	179,000	234,429	239,423	220,824	257,017	263,468	42,644	84,468
Outside Services								
Purchased/Insurance	274,000	411,948	355,218	582,413	1,003,897	886,731	304,318	612,731
Regulatory Expenses	224,000	250,943	189,627	104,606	192,242	268,247	163,641	44,247
Smart Meter Contra	0	-536,035	0	0	0	0	0	0
Sub-Total	2,917,931	2,831,493	2,999,741	3,146,313	4,432,371	4,107,559	961,246	1,189,627
Miscellaneous							0	0
Total	8,854,025	8,789,985	9,120,560	9,112,116	10,992,770	10,470,506	1,358,390	1,616,481

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5

1 **Variance Analysis – Programs**

2 ***Operations - Supervision***

3 *2017 Test Year vs 2013 Board Approved – Increase of \$278,385*

4 Included in the 2013 Board Approved balance was a reallocation of \$327,000 of operations supervision
5 wages to maintenance supervision, based on an estimate of total operations costs and indirect
6 allocations. Actual payroll allocations during 2013 and future years were much lower than the estimate.
7 2017 Test Year is comparable with historical actuals.

8 ***Maintenance - Supervision***

9 *2017 Test Year vs 2013 Board Approved – Decrease of (\$482,238)*

10 Included in the 2013 Board Approved balance was a reallocation of \$327,000 of operations supervision
11 wages to maintenance supervision, based on an estimate of total operations costs and indirect
12 allocations. Actual payroll allocations during 2013 and future years were much lower than the estimate.
13 The remaining decrease is a result of a portion of the Director of Operations and Director of Engineering
14 wages being allocated to maintenance supervision in 2013. During 2014, these two positions were
15 combined into the Director of Operations and Engineering position, which is included in Administrative
16 wages in the 2017 Test Year.

17 ***Maintenance - Overhead Distribution Lines/Feeders***

18 *2017 Test Year vs 2015 Actual – Increase of \$124,511*

19 The increase mainly represents a higher allocation of operations labour to overhead distribution
20 lines/feeders in the 2017 Test Year, compared to other projects. 2015 projections based on
21 extrapolation of mid-year YTD figures were used to prepare the allocations for the 2017 Test Year. The
22 2015 Actuals resulted in less labour allocated to Overhead Distribution Lines/Feeders and instead spread
23 among a variety of other projects.

24 *2017 Test Year vs 2013 Board Approved – Increase of \$153,561*

25 The increase mainly represents a higher allocation of operations labour to overhead distribution
26 lines/feeders in the 2017 Test Year, compared to other projects. 2015 projections based on
27 extrapolation of mid-year YTD figures were used to prepare the allocations for the 2017 Test Year. The
28 2015 Actuals resulted in less labour allocated to Overhead Distribution Lines/Feeders and instead spread
29 among a variety of other projects.

1 **Maintenance – Line Transformers**

2 2017 Test Year vs 2013 Board Approved – Decrease of (\$130,861)

3 The 2013 Board Approved balance included approximately \$85,000 of capital expenditures in error,
4 which were corrected in the 2013 Actuals during year end process. No capital expenditures are included
5 in the 2017 Test Year OM&A balance.

6 **Customer Service - Billing/Supervision**

7 2017 Test Year vs 2013 Board Approved – Increase of \$367,351

8 The 2017 Test Year balance includes \$98,000 of internal costs relating to implementation of the new
9 Customer Information System, in addition to \$91,000 of increased postage fees. See Section 2.4.2 for
10 details of Customer Information System. During 2013, electricity charges billed by BPI were separated
11 from the City of Brantford’s billing of water services. Prior to this, both BPI and the City of Brantford’s
12 services were combined on one bill and postage fees were split evenly. Once BPI began billing the
13 electricity charges on separate bills, postage fees increased as a result of no longer splitting these costs.
14 The remaining increase is a result of additional employees in customer service. See Compensation
15 Section 4.4 for details.

16 **Customer Service – Collections**

17 2017 Test Year vs 2015 Actual – Increase of \$106,585

18 The increase in 2017 Test Year is mainly a result of higher wages and payroll burden allocated to this
19 program, as a cashier was temporarily filling in as a customer service representative during 2015, and
20 therefore the wages and benefits were allocated to Billing/Supervision in 2015. This employee is
21 expected to return as a cashier during 2016.

22 2017 Test Year vs 2013 Board Approved – Increase of \$170,323

23 The 2017 Test Year includes higher wages and payroll burden allocated to this program. The 2013 Board
24 Approved balance includes lower wages and benefits due to a cashier being temporarily off during 2013
25 and not returning to work until 2014. BPI has forecasted 2017 wages and benefits based on its full
26 complement. The remaining increase is due to higher collection charges in 2017 Test Year. The collection
27 charges were previously split with the City of Brantford, when BPI’s electricity charges were combined
28 with City of Brantford’s water services on the same bill. BPI began issuing separate bills for its electricity
29 charges in 2013, resulting in no longer splitting costs with the City of Brantford.

1 **Customer Service – Bad Debts**

2 2017 Test Year vs 2015 Actual – Increase of \$204,716

3 The 2015 Actual balance includes a credit of approximately \$200,000 as a result of reducing the
4 allowance for doubtful accounts. The 2017 Test Year is expected to be comparable to 2013 Actual, 2014
5 Actual and 2016 Bridge Year.

6 **Administration – Administration Wages / Employee Benefits**

7 2017 Test Year vs 2015 Actual – Increase of \$450,642

8 The increase in the 2017 Test Year is a result of an increase in wages in the regulatory department due
9 to the filling of a vacancy, addition of an IT manager for the System Integration Projects and addition of
10 an Accounts Payable/Payroll clerk during the 2016 Bridge Year and 2017 Test Year. In addition to this, a
11 reduction in services provided to affiliates in the 2017 Test Year compared to 2015 has contributed to an
12 increase of \$166,000.

13 2017 Test Year vs 2013 Board Approved – Increase of \$448,181

14 The increase in the 2017 Test Year is a result of an increase in wages in the regulatory department,
15 addition of an IT manager for the System Integration Projects and addition of an Accounts
16 Payable/Payroll clerk during the 2016 Bridge Year and 2017 Test Year. The 2017 Test year includes
17 wages and expenses relating to the Director of Operations and Engineering position that was created
18 after the 2013 Board Approved Cost of Service. The Director of Operations replaced the Director of
19 Operations and Director of Engineering positions that were previously included in Operations and
20 Maintenance programs.

21 **Administration – Outside Services Purchased / Insurance**

22 2017 Test Year vs 2015 Actual – Increase of \$304,318

23 The increase in the 2017 Test Year is due to costs relating to the implementation of the System
24 Integration Projects. As described in Section 2.4.2, the costs included in 2017 OM&A represent 1/5th of
25 total costs forecasted for 2017 to 2021, in order to normalize the 2017 revenue requirement balance.

26 2017 Test Year vs 2013 Board Approved – Increase of \$612,731

27 The increase in the 2017 Test Year is due to costs relating to the implementation of the System
28 Integration Projects. As described in Section 2.4.2, the costs included in 2017 OM&A represent 1/5th of

1 total costs forecasted for 2017 to 2021, in order to normalize the 2017 revenue requirement balance.
2 The 2017 Test Year balance also includes forecasted costs for organizational improvements and strategic
3 initiatives, contributing to a further increase of \$272,000.

4 ***Administration – Regulatory Expenses***

5 *2017 Test vs 2015 Actual – Increase of \$163,641*

6 The 2017 Test Year includes amortization of one-time costs relating to the 2017 Cost of Service
7 application and additional costs forecasted for customer engagement initiatives.

4.4 Employee Compensation Breakdown

Employee Compensation Overview

In accordance with the Filing Requirements, BPI has included the details of its employee complement, compensation and benefits in the section below. As detailed in the Filing Requirements, the amounts included below relate to the total associated with labour, whether expensed or capitalized.

Note: BPI has requested confidential treatment for Exhibit 4, Tab 4, Schedule 3. This schedule contains BPI's budget assumptions for the 2016 Bridge and 2017 Test year related to compensation changes not yet finalized, pending negotiations with BPI's labour groups.

4.4.1 Compensation Strategy

In 2014, BPI initiated the development of a new Job Evaluation, Pay Equity Analysis and Total Compensation Strategy. One of BPI's corporate strategic goals is to develop the organization through investments in human capital. BPI plans to achieve this through investments in human resources in the areas of safety, performance management, staff succession, training and development and organizational culture change. BPI's compensation strategy goal is to retain and attract high-quality employees, particularly in the areas of skilled technical labour, with a view to succession planning, and taking into consideration the labour market conditions facing the utility. With respect to compensation rates, BPI's goal is to neither lead nor fall behind within its group of comparator companies, in order to balance the need to retain talent with the impact to costs.

Compensation - Collective Agreements

The sections below outline the collective agreements which have been in place with BPI's various employee groups

Canadian Union of Public Employees (CUPE)

CUPE represents inside, non-management employees who are not represented by IBEW or by BPPAE.

April 1, 2012 to March 31, 2014 (signed October 10, 2013)

April 1, 2014 to April 1, 2017 (settled June 23, 2014)

Table 4.4-A: CUPE Agreement Adjustment Levels

Effective Date	Adjustment Level
April 1, 2014	1.75%
March 29, 2015	1.75%
April 3, 2016	1.90%

International Brotherhood of Electrical Workers (IBEW)

IBEW represents the non-management outside workers, as well as metering, dispatch and stores non-management employees.

June 1, 2013 to May 31, 2016 (signed October 9th 2013)

Table 4.4-B: IBEW Agreement Adjustment Levels

Effective Date	Adjustment Level-Lines and Meter Trades	Adjustment Level- Stores and Dispatch
June 2, 2013	2.0%	1.0%
December 1, 2013	1.0%	1.0%
June 1, 2014	1.73%	1.0%
November 30, 2014	1.0%	1.0%
May 31, 2015	0.71%	0%
November 29, 2015	1.0%	1.0%

Brantford Power Professional and Administrative Employees (BPPAE)

BPPAE is an association representing all management but non-SLT positions, in addition to the Settlement, Energy & Smart Meter Office, Regulatory Analyst and Senior Regulatory Analyst positions.

April 1, 2012 to December 31, 2013 (signed January 24, 2013)

January 1, 2014 to December 31, 2016 (signed January 26, 2015)

Table 4.4-C: BPPAE Agreement Adjustment Levels

Effective Date	General Wage increase
January 6, 2013	1.5%
January 5, 2014	1.75%
December 28, 2014	1.50%
December 27, 2015	1.25%
Year	Minimum Merit Increase
2015	0.5%
2016	0.5%

Senior Leadership Team (SLT)/Executive

The SLT consists of the Chief Executive Officer, Chief Financial Officer/VP of Corporate Services, VP of Customers and Conservation and VP of Operations and Engineering.

Contract Employees

Contract Employees are not typically part of any bargaining unit.

Other Changes to Compensation Structure

Job Evaluation and Merit Pay- BPPAE

The majority of current BPI positions were transferred to BPI in April of 2012 from the City of Brantford. Until this time, BPI work was carried out by City of Brantford employees performing work for BPI. As a legacy of this arrangement, the compensation structure until October 2013 reflected the municipal-based structure of the City of Brantford. The job evaluation process in October 2013 realigned the compensation structure for these positions within industry norms.

Historically, BPI has implemented a traditional output driven methodology to assess and develop talent within the business. This has resulted in a task oriented environment which generally produces good departmental results; however, it has fostered an insular culture that has less opportunity to reach its optimal potential. For the business to be sustainable, it will become increasingly important to develop a culture of leadership and accountability based not only on results but to place equal value on the method that is employed to achieve the result. The way

that people and resources are brought together to accomplish work forms the identity and personality of the organization which has been identified in numerous studies and plans and is an area that BPI is aiming to improve.

BPI simultaneously conducted new job evaluations, a pay equity analysis and developed a total compensation strategy. The pay equity and job evaluation processes were conducted by the Hay Group. The compensation strategy was developed with the assistance of City of Brantford Human Resources.

In the Job Evaluation process, Hay Group, with input from BPI and BPI staff, assigned point levels to each of the positions assessed based on a combination of factors including:

- Accountabilities;
- Knowledge and skill requirements;
- Working relationships (including reporting relationships);
- Problem Solving and Challenges;
- Impact of Actions and Decisions;
- Financial Responsibilities and Supervision Responsibilities; and
- Physical Demands.

Hay Group prepared a comparison of these positions with positions similar in nature and point level in a group of relevant comparators, as outlined below:

- | | |
|-------------------------------------------|---------------------------------------|
| • Burlington Hydro Inc. | • Peterborough Utilities Group |
| • Newmarket-Tay Power Dist. Ltd. | • Guelph Hydro Electric Systems Inc. |
| • Cambridge and North Dumfries Hydro Inc. | • Utilities Kingston / Kingston Hydro |
| • Oakville Hydro | • Halton Hills Hydro Inc |
| • E.L.K. Energy Inc. | • Waterloo North Inc Hydro |
| • Orangeville Hydro Limited | • Kitchener-Wilmot Hydro Inc. |
| • Essex Power | • Woodstock Hydro Services Inc. |
| • Oshawa PUC Networks, Inc. | |
| • Festival Hydro Inc. | |

Filed: May 4, 2016

1 Hay then identified the median (50th percentile) rate of pay for comparable positions for each of the
2 positions assessed. BPI’s goal was to align the compensation for each position within a reasonable range
3 of this rate. As a result of this analysis, six positions were determined to be below the “minimum job
4 rate” (90% of the median rate of pay in the analysis), while three were determined to be above the
5 “maximum job rate” (110% of the median rate of pay).

6 As a result of this analysis, in 2015 BPI adjusted the salaries of the six positions below the minimum job
7 rate upwards to the minimum job rate, retroactive to April 2014. The three positions which were above
8 the minimum job rate were “red-circled”, resulting in a slower pace of annual increases until the
9 compensation falls within the targeted 90%-110% range. The impacts of these adjustments are included
10 in the compensation analysis in the section below.

11 Additionally, several titles were changed as a result of the Hay Group analysis, effective in 2014 as well.

12 Together with the implementation of the Job Evaluation process findings, BPI also introduced its new
13 competency based performance management process. Through this process, BPI has taken a new
14 approach to performance management, focusing on the key competencies listed below, in addition to
15 the achievement of an employee’s annual goals.

Leadership(L)
Creates a Compelling Future and Inspires Others to Achieve
Embraces Change
Macro Business Understanding and Strategic Thinking
Broad Communication and promotes Engagement

16

Management (M)
Administers Policy and Procedure with Fairness and Equity
Delivers Expected Departmental Results
Creative and Entrepreneurial Spirit
Performance Management of Staff through Coaching and Developing

17

18

Skills and Attributes (SA)
Due Diligence
Job Knowledge
Demonstrates Passion for Customers
Teamwork and Relationship Building

1

2 The goal of this updated approach is to enable the business to:

- 3 • Achieve a deeper and positive outcome on communication of assessments;
- 4 • Identify opportunities for professional development;
- 5 • Identify successors from within the business; and
- 6 • Target, recruit and select new employees.

7

8 This new competency based performance management tool is linked to the merit pay increase for
9 an employee in the next year. Merit increases represent permanent increases to an employee's
10 salary and began with 2014 performance (paid in 2015). The increases are reflected in the
11 compensation numbers in Appendix 2-K below. As outlined above, BPI and BPPAE have negotiated a
12 total minimum merit increase for 2015 and 2016 of 0.5%.

13 ***Introduction of Short Term Variable Incentive Pay- SLT***

14 The Senior Leadership Team is eligible for a Short Term Variable Incentive pay, which was
15 introduced for 2014 performance, with incentive pay paid out in 2015 for the first time. The Short
16 Term Variable Incentive pay program was designed with the help of the Hay Group, and designed to
17 be consistent with the programs in place at comparable utilities (the same group outlined in the
18 BPPAE Merit Pay description above). The SLT's incentive pay is directly tied to BPI's performance in
19 its Key Performance Indicators (KPIs) in each year. As discussed in Exhibit 1, the BPI Board of
20 Directors establishes BPI's KPIs and KPI targets for each year, based on the specific goals related to
21 BPI's Strategic Plan in each year. For the calculation of Short Term Variable Incentive pay in each
22 year, each of the KPIs is weighted. SLT members are eligible for differing incentive pay amounts
23 depending on their specific role, ranging from 10% to 20%. Short Term Incentive Variable pay is
24 included in the compensation variance analysis in the variance analysis below.

25 ***Meter to Cash Study***

26 In 2015, BPI began the transition to a new structure in certain departments as a result of the
27 findings and recommendations of a Meter to Cash report completed in May 2014 by KPMG.

Filed: May 4, 2016

1 Beginning in 2013, KPMG performed an analysis of all BPI's Meter to Cash practices as compared to
2 the primary revenue generating processes for LDCs in Ontario. This involved an extensive review
3 and documentation of Customer Services, and Metering and Settlement business processes. The
4 final report outlined the Meter to Cash process and its importance to a regulated utility, analyzed
5 the current organizational structure, offered a series of recommendations and opportunities and
6 presented revised future state business processes for BPI to consider.

7 Overall, the Meter to Cash review identified 37 potential opportunities to improve business
8 processes, ranging from those specific to work-flow, business process improvement and system
9 enhancements, to others related to front-line training, and tracking customer satisfaction and
10 complaints. Many had clear links to the systems integration study, and are captured within the
11 scope of the Financial and Customer Information Systems projects. As such, while there were some
12 extremely valuable insights and opportunities presented, the decision was made to put the
13 initiative on hold until the systems integration projects were underway.

14 However, as an initial step, the Metering and Settlement functions were separated under different
15 management reporting in March 2015. Further realignment of the Settlement and Billing functions
16 under a new management relationship, with the end-to-end responsibility for meter consumption
17 data acquisition, verification, reconciliation and accuracy, from the meter to bill presentation, is
18 expected to be completed by June 2016.

19

1 **4.4.2 Compensation Variance Analysis**

2

3 The following table 4.4-D, which is a copy of Appendix 2-K, provides an overview of the employee
4 complement and compensation. All compensation amounts have been included, whether expensed or
5 capitalized.

6 **List of Assumptions**

7 Board of Directors honoraria and benefits have not been included in the analysis below.

8 Management FTE was defined as any employee with direct reports, or with the title “manager”. BPI has
9 some employees in its BPPAE non-union group which have no positions reporting to them. These
10 positions were included in the non-management section.

11 The historical period has been presented on the basis of payments/ cash flow rather than accruals, and
12 for this reason cannot be directly tied to annual account by account analysis.

13 The Conservation and Demand Management department has been included in this analysis, however
14 the costs associated with this department are not included in the revenue requirement.

15 Amounts presented are for BPI time only. Time and compensation for BPI employees which was or is
16 budgeted to be allocated to affiliates for shared services have been removed in the analysis below.

17 No amounts associated with affiliate shared services provided to BPI have been included in the analysis
18 below- BPI is not a virtual utility.

19

20

1

Table 4.4-D: Employee Costs Overview

Appendix 2-K Employee Costs						
	2013 Board Approved	2013 Actuals	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Number of Employees (FTEs including Part-Time)¹						
Management (including executive)	16	16	15	13	17	17
Non-Management (union and non-union)	42	42	39	43	46	49
Total	58	58	54	56	63	66
Total Salary and Wages including overtime and incentive pay						
Management (including executive)	\$ 1,963,909	\$ 1,987,925	\$ 1,744,347	\$ 1,457,619	\$ 1,773,992	\$ 1,930,889
Non-Management (union and non-union)	\$ 2,707,296	\$ 2,740,403	\$ 2,699,676	\$ 2,974,712	\$ 3,315,873	\$ 3,602,016
Total	\$ 4,671,205	\$ 4,728,329	\$ 4,444,022	\$ 4,432,331	\$ 5,089,865	\$ 5,532,905
Total Benefits (Current + Accrued)						
Management (including executive)	\$ 424,305	\$ 429,101	\$ 406,625	\$ 393,215	\$ 481,310	\$ 473,778
Non-Management (union and non-union)	\$ 730,764	\$ 792,061	\$ 734,650	\$ 821,166	\$ 960,923	\$ 1,047,976
Total	\$ 1,155,070	\$ 1,221,161	\$ 1,141,275	\$ 1,214,381	\$ 1,442,233	\$ 1,521,753
Total Compensation (Salary, Wages, & Benefits)						
Management (including executive)	\$ 2,388,214	\$ 2,417,026	\$ 2,150,972	\$ 1,850,834	\$ 2,255,302	\$ 2,404,666
Non-Management (union and non-union)	\$ 3,438,060	\$ 3,532,464	\$ 3,434,325	\$ 3,795,878	\$ 4,276,797	\$ 4,649,992
Total	\$ 5,826,275	\$ 5,949,490	\$ 5,585,297	\$ 5,646,712	\$ 6,532,098	\$ 7,054,658

2

3 The following section provides an analysis of material variances flowing from Appendix 2-K:

4 **2013 Board Approved to 2013 Actual**

5 BPI's 2013 Board Approved revenue requirement was based on calculations which were primarily 2013
 6 actual data, with a small forecast component, and additional reductions agreed upon in BPI's Settlement
 7 Agreement. BPI has estimated the compensation and headcount levels included in the 2013 Board
 8 Approved Revenue Requirement, as BPI did not provide an updated Appendix 2-K with reflecting the
 9 settled upon revenue requirement.

10 **Full Time Equivalent**

	2013 Board Approved	2013 Actuals	Variance
Number of Employees (FTEs including Part-Time)¹			
Management (including executive)	15.9	15.9	-
Non-Management (union and non-union)	41.8	41.7	- 0.2
Total	57.8	57.6	- 0.2

11

	2013 Board Approved	2013 Actuals	Variance

Number of Employees (FTEs including Part-Time) ¹			
Management (including executive)	17.0	15.9	-1.1
Non-Management (union and non-union)	43.7	41.7	-2.0
Total	60.7	57.6	-3.1

1

2 **Full Time Equivalent**

3 The number of FTE in 2013 Actuals would have decreased from the 2013 Board Approved amount by
4 almost 0.2 FTE due to an unanticipated sick leave late in 2013.

5 **Salaries and Wages**

	2013 Board Approved	2013 Actuals	Variance
Total Salary and Wages including overtime and incentive pay			
Management (including executive)	\$ 1,963,909	\$ 1,987,925	\$ 24,016
Non-Management (union and non-union)	\$ 2,707,296	\$ 2,740,403	\$ 33,107
Total	\$ 4,671,205	\$ 4,728,329	\$ 57,124

6

7 Salaries and wages in 2013 were not materially different than those included in the 2013 Board
8 Approved amount.

9 **Total Benefits (Current + Accrued)**

	2013 Board Approved	2013 Actuals	Variance
Total Benefits (Current + Accrued)			
Management (including executive)	\$ 424,305	\$ 429,101	\$ 4,795
Non-Management (union and non-union)	\$ 730,764	\$ 792,061	\$ 61,296
Total	\$ 1,155,070	\$ 1,221,161	\$ 66,091

10

11 Benefits in 2013 were not materially different from those included in the 2013 Board Approved amount.

12 **2013 Actual to 2014 Actual**13 **Full Time Equivalent**

1

	2013 Actuals	2014 Actuals	Variance	
Number of Employees (FTEs including Part-Time)¹				
Management (including executive)	15.9	14.8	-	1.1
Non-Management (union and non-union)	41.7	39.4	-	2.3
Total	57.6	54.2	-	3.4

2

	2013 Actuals	2014 Actuals	Variance	
Number of Employees (FTEs including Part-Time)¹				
Management (including executive)	15.9	15.0	-	0.9
Non-Management (union and non-union)	41.7	39.4	-	2.3
Total	57.6	54.4	-	3.2

3

	2013 Actuals	2014 Actuals	Variance	
Number of Employees (FTEs including Part-Time)¹				
Management (including executive)	15.9	15.0	-	0.9
Non-Management (union and non-union)	41.7	39.4	-	2.3
Total	57.6	54.4	-	3.2

4

5 **Management FTE**

6 Management FTE decreased by 1.1 FTE in 2014 compared to 2013 due to the following:

- 7
- The full year impact of the Acting Manager of Finance, who was hired mid-year in 2013, representing an increase of 0.5 FTE;
- 8

- 1 • An increase of 0.5 FTE as the Manager of Customer Service position was seconded to work on
2 the CIS implementation project, and a member of the non-management Customer Service staff
3 was brought on as Acting Manager of Customer Service in June 2014;
- 4 • Two planned temporary vacancies, representing a decrease of 0.85;
- 5 • The impact of the SLT restructuring in March 2014 (as described below) was a decrease of about
6 1 FTE compared to 2013 actuals.
- 7 • Corporate Restructuring impacts in 2014 resulted in a small decrease of 0.2 FTE, representing
8 time spent on affiliated companies and charged to those companies. As the corporate
9 restructuring changes were introduced throughout 2014, the full year impact of the CFO and
10 CEO sharing with the affiliated companies not in place in 2014.

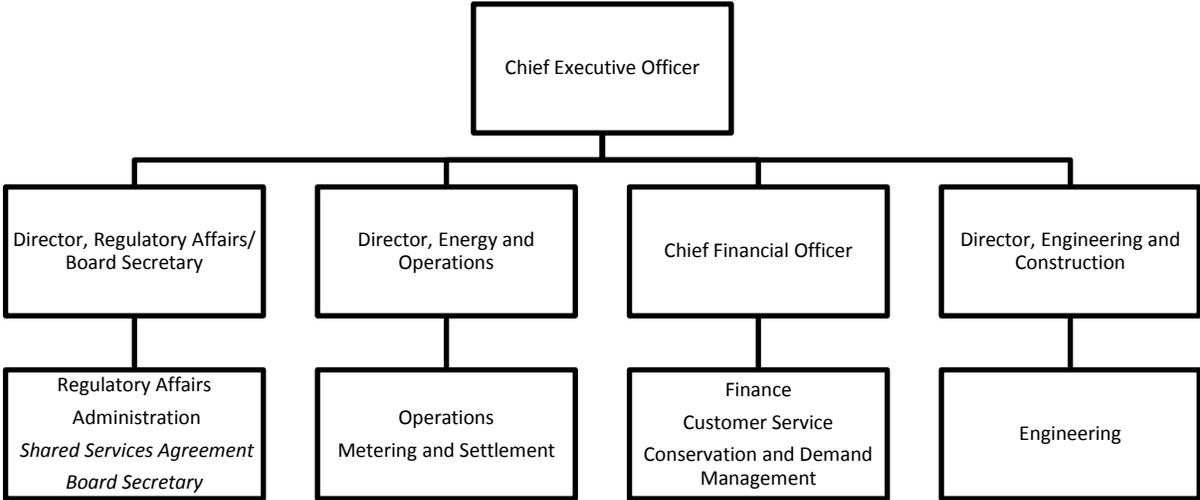
11 *2014 Restructuring of Senior Leadership Team (SLT)*

12 Effective March 12th, 2014 BPI's SLT structure was changed in order to better align with BPI's Strategic
13 goals.

14 The reorganization permanently reduced the four (4) senior leadership roles to three (3) roles. Prior to
15 this restructuring, the SLT comprised of:

1

Figure 4.4- E: Senior Leadership Team- Before Restructuring (2013)

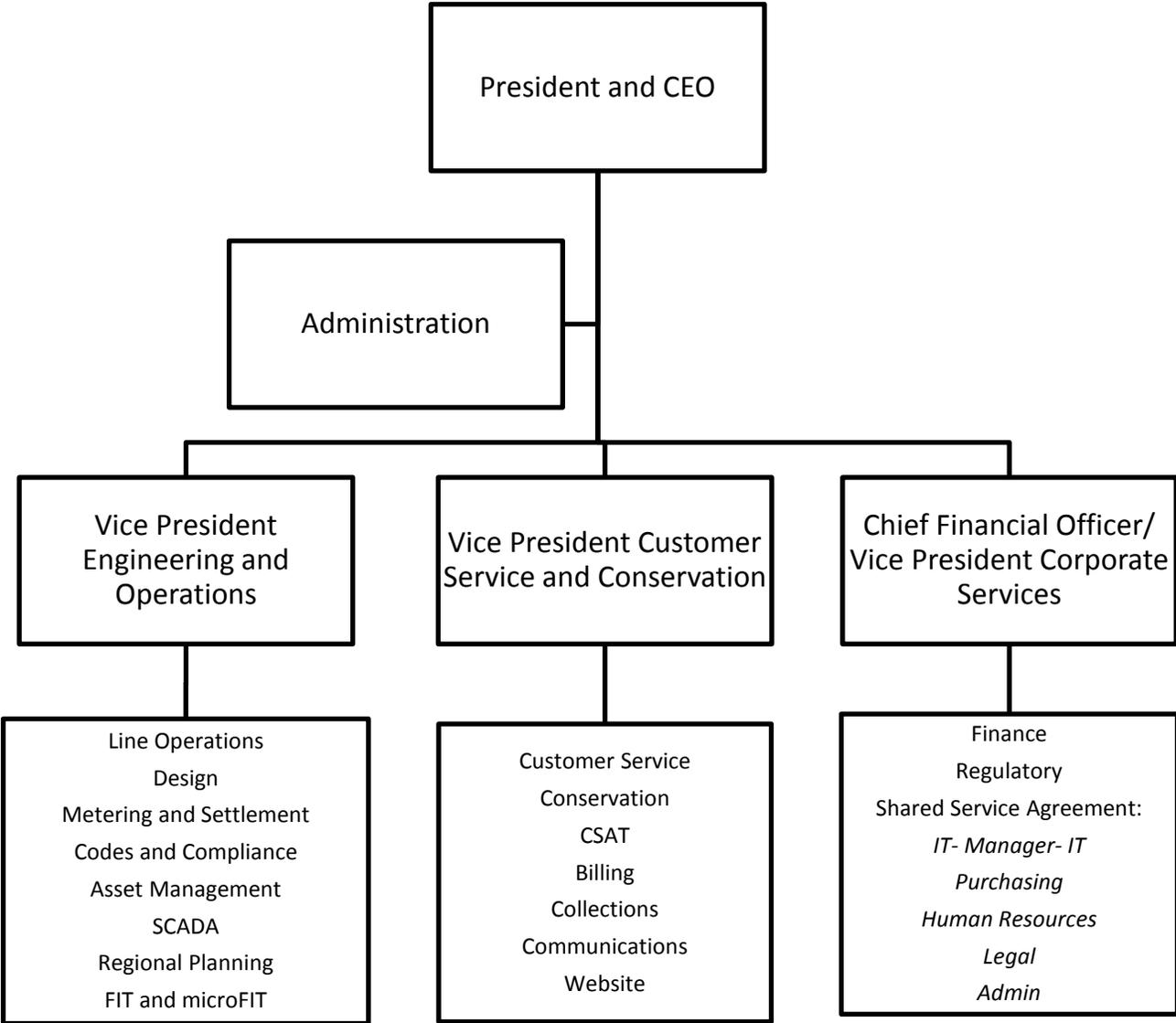


2

3

1

Figure 4.4- F: Senior Leadership Team- After Restructuring (March 2014)



2

3 The restructuring included the establishment of a new leadership role of Vice President of Customer
 4 Service and Conservation. The introduction of this position was consistent with BPI's strategic plan and in
 5 line with the heightened focus on these two functions within the industry (in addition to a
 6 communications function). It also ensured a dedicated focus to attaining BPI's goals to improve service

1 levels; provide consistent and timely communication to customers and employees utilizing all mediums
2 and to ensure that BPI provides expert advice to customers in the area of energy efficiency.

3 *2014 Corporate Changes*

4 Further changes impacting the management FTE and salary were put in place in March 2014.
5 Specifically, effective March 24th 2014, the BPI President and CEO was appointed President and CEO of
6 the BEC Group of Companies including all affiliates.

7 Effective August 2014, the CFO and VP of Corporate Services of BPI similarly became the CFO and VP of
8 Corporate Services for the BEC Group of Companies including all affiliates. Changes were
9 correspondingly made to the BPI finance department, effective January 201, as finance personnel began
10 to perform work for the BEC group of Companies. This included the Manager of Finance and Acting
11 Manager of Finance.

12 The goal of this restructuring was to realize strategic benefits and operational efficiencies through the
13 sharing of financial and executive expenses, while remaining compliant with the ARC.

14 **Non-Management FTE**

	2013 Actuals	2014 Actuals	Variance
Number of Employees (FTEs including Part-Time)¹			
Management (including executive)	15.9	15.0	-0.9
Non-Management (union and non-union)	41.7	39.4	-2.3
Total	57.6	54.4	-3.2

15 BPI's non-management FTE count decreased by 2.3 between 2013 and 2014. The drivers of this
16 decrease are as follows:

- 17 • The permanent removal of the Assistant Stock-keeper function;
- 18 • Changes in the Financial Analyst staff complement. Please see discussion below.
- 19 • The temporary promotion of a customer service representative in June 2014 to Acting Manager
20 of Customer Service (resulting in a 0.5 FTE decrease as the position as .5 FTE of the position was
21 included in the Management category).
- 22 • Two new Apprentices were hired in the operations department mid-2014, one of whom was
23 originally brought on as a co-op student, representing a total increase of 1.3 FTE in 2014;

- 1 • The departure of two linesmen- one late in 2013 and one early in 2014, representing a 1.6 FTE
- 2 decrease;
- 3 • Temporary vacancy in the regulatory department of 0.2 FTE.
- 4

5 *Finance Complement Changes*

6 In April 2012, BPI shifted away from a “virtual utility” organization. Prior to this shift, all employees
 7 performing work for BPI (with the exception of the CEO) were City of Brantford Employees who were
 8 shared with BPI. In the 2012 restructuring, in most departments, the employees who were performing
 9 mainly BPI work were transferred to BPI. In the Finance department however, a Senior Analyst position
 10 which had been previously performing 60% BPI work was not transferred. As a result, in 2013 BPI had
 11 only 2 FTE of full-time staff in the finance department (one management and one non-management).
 12 BPI addressed the additional work load through temporary contract employees representing about 0.9
 13 FTE in 2013, and 0.25 FTE in 2014. In 2014, BPI confirmed that the work level previously covered
 14 through these temporary contracts was permanent and in August 2014 BPI hired a permanent new
 15 Financial Analyst. The overall change to this Financial Analyst position represented a decrease of 0.25
 16 FTE between 2013 and 2014. This was caused by a temporary vacancy between the end of the contract
 17 position in 2014 and the filling of the permanent position.

18 **Salaries and Wages (Including Overtime and Incentive Pay)**

	2013 Actuals	2014 Actuals	Variance
Total Salary and Wages including overtime and incentive pay			
Management (including executive)	\$ 1,987,925	\$ 1,744,347	-\$ 243,579
Non-Management (union and non-union)	\$ 2,740,403	\$ 2,699,676	-\$ 40,728
19 Total	\$ 4,728,329	\$ 4,444,022	-\$ 284,306

20 **Management Salaries and Wages**

21 Management Salaries and Wages decreased roughly 240k between 2013 and 2014. The drivers of this
 22 change are outlined below:

- 23 • A compensation-related payout occurring in 2013 of roughly \$315 k;
- 24 • The impact of temporary expected vacancies, a decrease of 50k;

- 1 • The impact of the Acting Manager of Customer Service position and full year impact of the
2 Acting Manager of Finance position;
- 3 • The impact of the March 2014 SLT restructuring representing an increase of roughly \$55 k in
4 2014.

5

1 **Total Benefits (Current + Accrued)**

	2013 Actuals	2014 Actuals	Variance
Total Benefits (Current + Accrued)			
Management (including executive)	\$ 429,101	\$ 406,625	-\$ 22,476
Non-Management (union and non-union)	\$ 792,061	\$ 734,650	-\$ 57,411
Total	\$ 1,221,161	\$ 1,141,275	-\$ 79,887

3 **Total Benefits**

4 Total benefits from 2013 to 2014 decreased by roughly \$80k. The total amount, and the individual
 5 management and non-management variances were not material variances.

6 **2014 Actual to 2015 Actual**

7 **Full Time Equivalent**

	2014 Actuals	2015 Actuals	Variance
Number of Employees (FTEs including Part-Time)¹			
Management (including executive)	14.8	12.9	- 1.9
Non-Management (union and non-union)	39.4	42.6	3.3
Total	54.2	55.5	1.3

	2014 Actuals	2015 Actuals	Variance
Number of Employees (FTEs including Part-Time)¹			
Management (including executive)	15.0	14.2	- 0.8
Non-Management (union and non-union)	39.4	43.4	4.0
Total	54.4	57.6	3.2

9 **Management FTE Variance**

10 Management FTE decreased by 1.9 between 2014 and 2015. This decrease is attributable to the
 11 following factors:

- 12 • With initial CIS project scoping work complete in September 2015, the Manager of Customer
 13 Service resumed her regular duties, and the Acting Manager returned to her Customer Service
 14 Representative role (impact 0.25 FTE increase over 2014);

- 1 • Temporary planned vacancy equivalent to 0.25 FTE in the Engineering management group in
2 2014 with no equivalent vacancy in 2015;
- 3 • The resignation without replacement of the Manager of Systems and Standards (a decrease of
4 1FTE);
- 5 • A decrease of almost 0.6 FTE as a result of Finance Management allocations to affiliates;
- 6 • A temporary vacancy in the Manager of Metering and Settlement position, resulting in a 0.6 FTE
7 decrease;
- 8 • Promotion of a linesman to foreman late in 2015, representing an increase of 0.1 FTE; and
- 9 • The full-year impacts of the changes related to the SLT restructuring in 2014 resulting in an
10 increase of 0.21 in 2015.

11 **Non-Management FTE Variance**

12 Non-Management FTE increased 3.6 FTE from 2014 to 2015. This change is attributable to the following
13 changes:

- 14 • An overall increase in the Customer Service department of 2.4 FTE, including the following:
- 15 ○ Several sick leaves during 2014, creating a 0.4 FTE year-over-year 2015 as all employees
16 returned to work;
- 17 ○ The return to work in 2015 of an employee who had been on sick leave in the previous
18 two years, representing an increase of 1 FTE in 2015;
- 19 ○ The return to the non-management role in June 2014 of the Acting Manager of
20 Customer service, resulting in an increase of 0.25 FTE in 2015;
- 21 ○ 1.25 FTE in additional contract Cashier and CSR roles in 2015, largely in preparation for
22 the billing changes occurring in January 2016 and the implementation of OESP.
- 23 • A decrease of 1 FTE in the Operations department due to a long term sick leave vacancy
24 beginning in 2015;
- 25 • The full year impact of the two apprentices hired in 2014, resulting in an increase of 0.67 FTE in
26 2015;

- 1 • Two new Linesperson positions filled in February 2015, representing an increase of 1.75 FTE
2 over 2014;
- 3 • An increase of 0.20 FTE in the regulatory department due to a 0.25 FTE vacancy in 2014, with a
4 return to full complement in 2015.
- 5 • A decrease of 0.2 FTE as a result of 0.1 FTE in 2014 associated with the Assistant stock keeper
6 position which was eliminated in early 2014 and another 0.1 FTE associated with the linesperson
7 position promoted to foreman towards the end of 2015.

8 BPI notes that it added a Financial Analyst position in 2015, however this position is focused on work
9 associated with BPI’s affiliated companies, and therefore did not contribute a significant amount of time
10 to BPI FTE in 2015.

11 **Salaries and Wages (Including Overtime and Incentive Pay)**

	2014 Actuals	2015 Actuals	Variance
Total Salary and Wages including overtime and incentive pay			
Management (including executive)	\$ 1,744,347	\$ 1,457,619	-\$ 286,728
Non-Management (union and non-union)	\$ 2,699,676	\$ 2,974,712	\$ 275,037
Total	\$ 4,444,022	\$ 4,432,331	-\$ 11,691

13 **Management Salaries and Wages**

14 Management Salaries and Wages in decreased by a total of almost \$287k between 2014 and 2015. The
15 primary driver of this change is related to one-time transition costs for the SLT restructuring in 2014, and
16 the offsetting addition of an SLT Short Term Variable Incentive structure in 2015 resulting in an overall
17 change of \$225k. In 2015, Finance management allocations to affiliates resulted in a reduction of \$54k in
18 salaries and wages over 2014. Additionally, the permanent vacancy in 2015 created by the departure of
19 the Manager of Systems and Standards, together with a temporary vacancy in the Metering and
20 Settlement department, contributed a total decrease of \$102k. There were offsetting increases of
21 almost \$60k associated with a short term vacancy in 2014 that was filled in 2015 as well as an additional
22 3 months’ impact of the Acting Manager of Customer Service in 2015 compared to 2014.

23 The remaining \$36 k increase can be attributed to the economic adjustments occurring in the
24 management group in 2015, and other non-material changes.

25 **Non-Management Salaries and Wages**

1 Non-Management salaries and wages increased roughly \$275k in 2015 compared to 2014. The staff
 2 complement increases in Customer Service, Operations and Finance resulted in an increase of
 3 approximately \$300 k. There were offsetting reductions between 2014 and 2015 attributable as the
 4 Executive Assistant allocations out of the company for time spent on affiliate company matters
 5 (representing a decrease of about 10k). In Finance and Regulatory, there were increases of roughly \$48k
 6 associated with increased overtime in finance and as a result of short term vacancies in each
 7 department in 2014.

8 A long term vacancy in the Operations department and a short term vacancy in the CDM department
 9 resulted in an overall decrease of \$95k.

10 The remaining increase can be attributed to other non-material salary changes as well as the impact of
 11 economic adjustments in 2015. In addition,

12 **Total Benefits (Current + Accrued)**

	2014 Actuals	2015 Actuals	Variance
Total Benefits (Current + Accrued)			
Management (including executive)	\$ 406,625	\$ 393,215	-\$ 13,410
Non-Management (union and non-union)	\$ 734,650	\$ 821,166	\$ 86,516
Total	\$ 1,141,275	\$ 1,214,381	\$ 73,106

14 **Management Benefits**

15 Management benefits in 2015 increased a total of \$22 k over 2014, representing a non-material
 16 variance.

17 **Non- Management Benefits**

18 Non- Management Benefits in 2015 increased a total of \$102 k compared to 2014. About 50k of this is
 19 attributable to the FTE changes described in the 2014 to 2015 Non-Management FTE variances section.
 20 The total accrued benefits between 2014 and 2015 increased, resulting in an estimated \$14k increase
 21 associated with the non-management group. The rest of the variance is attributable to annual
 22 inflationary increases to benefits payment. In addition, there are some increases related to the delayed
 23 start of benefits for newly hired employees during 2014.

24 **2015 Actual to 2016 Bridge Year**

1 **Full Time Equivalent**

	2015 Actuals	2016 Bridge Year	Variance
Number of Employees (FTEs including Part-Time)¹			
Management (including executive)	12.9	16.6	3.7
Non-Management (union and non-union)	42.6	46.5	3.9
Total	55.5	63.1	7.6

2

	2015 Actuals	2016 Bridge Year	Variance
Number of Employees (FTEs including Part-Time)¹			
Management (including executive)	14.2	16.7	2.5
Non-Management (union and non-union)	43.4	46.7	3.4
Total	57.6	63.5	5.9

3 **Management FTE 2015 to 2016: +3.7 FTE**

4 Management FTE is projected to increase by 3.7 FTE between 2015 actuals and 2016 Bridge Year. The
5 following changes drive this increase:

- 6
- 7 • An increase of 1 FTE as a result of the hiring of a new Facility Manager position in 2016. This
8 position will be responsible for the planning and organization of BPI's movement into its new
9 facility, and will be tasked with the operation of the new facility once this move is complete.
10 Currently, BPI purchases Facility Asset Management Services through its SSA with the City of
11 Brantford.
 - 12 • An increase of 1 FTE as a result of the hiring of a Manager, System Projects and Business
13 Applications position in 2016. This position will be focused on the System Integration Project
14 implementation.
 - 15 • A 0.9 FTE increase caused by an increased foreman promoted from the lineperson group in late
16 2015. This position has an element of succession planning associated with it, taking into
17 consideration that three other key Operations management staff become eligible for retirement
18 within the next five-year period;
 - 19 • An increase of 0.6 FTE related to the temporary vacancy in the Manager of Metering and
20 Settlement position in 2014. This position has been re-purposed as the Manager of Settlement
and Billing and is filled for 2016.

- 1 • An increase of 0.5 FTE associated with the planned temporary secondment of an existing
2 Settlement Energy and Smart Meter Officer to the position of Acting Supervisor, Settlement and
3 Billing during 2016. This secondment will be necessary during the reorganization in 2016 of the
4 Settlement and Billing functions, which is a result of the Meter to Cash Study completed in May
5 2014.
- 6 • Lastly, an increase of 0.46 FTE is anticipated as a result of reduced allocations of time to
7 affiliates in the Finance Management, CFO and CEO functions. This is the result of:
- 8 ○ A decreased focus on affiliate matters in 2015 as compared to 2014, primarily related
9 with time spent on BPI's Generation Affiliate, Brantford Generation Inc. ; and
- 10 ○ An increased focus on BPI as the company procures and implements its new FIS system
11 in 2016.
- 12 • The increases above are partially offset by a decrease of 0.75 FTE as a result of the June 2014 to
13 2015 CIS "backfill" position of Acting Manager of Customer Service which ended in September
14 2015.

15

16 **Non-Management FTE 2015 to 2016 : +3.9 FTE**

17 Non-Management FTE in 2016 are expected to increase by 3.9 FTE compared to 2015. The increase is
18 driven by the following changes:

- 19 • A change in the FTE count in the CDM department representing a 1 FTE increase. BPI will hire a
20 new part time Conservation Program Coordinator in 2016, representing an increase of 0.7 FTE.
21 The additional 0.3 FTE increase is associated with a temporary vacancy in 2015 in Conservation
22 Program Advisor position.
23 The Conservation Program Coordinator will assist BPI to meet its 2015 to 2020 CDM Framework
24 Target.
- 25 • In Finance, BPI has planned for an increase of 1.9 FTE in the non-management staff. The specific
26 changes are outlined below:
- 27 ○ A 0.5 FTE increase related to the addition in 2016 of an Accounting Clerk. This position
28 will be hired partway through the year and will be shared with BPI's affiliates. The
29 Accounting Clerk is planned to bring in-house the functions of payroll and accounts

1 payable currently outsourced through the Shared Services Agreement with the City of
2 Brantford.

- 3 ○ A 1 FTE increase as a result of the hiring of a temporary contract Financial Analyst in
4 2016. This position will be charged with the regular tasks throughout the year as the
5 other Financial Analysts will be allocating a significant amount of time implementing and
6 testing the new Financial Information System.

- 7 ○ A 0.4 FTE increase associated with filling a temporary vacancy in 2015.

- 8 ● The addition of a Regulatory Analyst in the Regulatory department to assist BPI in continuing to
9 meet its Regulatory compliance requirements and to allow BPI to carry out its planned
10 Regulatory projects.

- 11 ● An overall decrease of 0.15 FTE in the Operations department related to the promotion of one
12 linesperson in 2015 to the position of Foreman, offset partially by a planned return to work from
13 a long term sick leave, as well as the full year impact of the two new lineperson positions hired
14 in 2015;

- 15 ● A 0.2 FTE increase as a result of a temporary vacancy in the communications role which is
16 expected to be filled in 2016.

17 **Salaries and Wages (Including Overtime and Incentive Pay)**

	2015 Actuals	2016 Bridge Year	Variance
Total Salary and Wages including overtime and incentive pay			
Management (including executive)	\$ 1,457,619	\$ 1,773,992	\$ 316,373
Non-Management (union and non-union)	\$ 2,974,712	\$ 3,315,873	\$ 341,161
Total	\$ 4,432,331	\$ 5,089,865	\$ 657,534

19 **Management Salaries and Wages 2015 to 2016: + \$316 k**

20 Management Salaries and Wages are expected to increase by \$316k in the 2016 Bridge Year compared
21 to 2015 actuals. The variance in salaries and wages is attributable to the same factors driving the
22 increase in management FTE discussed above:

23 The new Facility Manager and Manager, System Projects and Business Applications, the temporary
24 Acting Supervisor of Settlement and Billing and filling of the Manager of Settlement and Billing, and the
25 full year impact of the new Foreman position contribute a total of \$315k.

1 The increased Finance Management and SLT Management allocations to BPI are offset by the reduction
2 due to the Acting Manager of Customer Service position which ended in September 2015.

3 **Non-Management Salaries and Wages 2015 to 2016 : + 341 k**

4 Non-Management Salaries and Wages are expected to increase \$341k between 2015 and 2016. This
5 variance is driven by the same changes outlined in the Non-Management 2015 to 2016 FTE comparison
6 set out above. Specifically, the filling of the vacancy in the Communication department, return to full
7 complement and additional part time employee in CDM, new positions and increased allocation to BPI in
8 the Finance department, increased regulatory complement and changes in the operations department
9 amount to 230k. Variances in the level of overtime budgeted and budgeted economic adjustments
10 account for the remaining increase.

11 **Total Benefits (Current + Accrued)**

	2015 Actuals	2016 Bridge Year	Variance
Total Benefits (Current + Accrued)			
Management (including executive)	\$ 393,215	\$ 481,310	\$ 88,094
Non-Management (union and non-union)	\$ 821,166	\$ 960,923	\$ 139,757
Total	\$ 1,214,381	\$ 1,442,233	\$ 227,852

12
13 **Management Benefits 2015 to 2016 : +88 k**

14 Management Benefits are projected to increase by \$88k between 2016 and 2017. This variance is
15 attributable to the FTE variances outlined in the 2015 to 2016 Management FTE section above. The
16 variance does not meet BPI's materiality threshold and therefore has not been further analyzed.

17 **Non-Management Benefits 2015 to 2016: +140 k**

18 Non-Management Benefits are expected to increase \$140k in the 2016 Bridge Year compared to 2015
19 actuals. Benefits increases in 2016 are driven by the changes outlined in the Non-Management FTE
20 changes section above.

21 The largest increases are driven by the increased allocation of staff time and staff complement in the
22 Finance department as well increased staff complement in the CDM department, accounting for \$70k of
23 the increase together. The new linesperson hires in Operations in 2015, planned Linesperson return to
24 work and new regulatory position are partially offset by the decrease as a result of the linesperson
25 promotion, for an overall impact of \$30k.

1 The remaining increase is associated with the expected inflationary increases to benefits, in addition to
 2 an increased allocation of accrued benefits to the non-management group.

3

4

5 **2016 Bridge Year to 2017 Test Year**

6 **Full Time Equivalent**

	2016 Bridge Year	2017 Test Year	Variance
Number of Employees (FTEs including Part-Time)¹			
Management (including executive)	16.6	16.9	0.3
Non-Management (union and non-union)	46.5	48.7	2.2
Total	63.1	65.6	2.4

7

8 **Management FTE 2016 Bridge to 2017 Test : +0.3 FTE**

9 BPI has budgeted an increase of 0.5 FTE in the management group between the 2016 Bridge and 2017
 10 Test years. As the CIS project progresses, BPI has budgeted an additional temporary Customer Service
 11 Manager backfill while the CIS is implemented in 2017. This backfill will allow BPI to ensure that
 12 continuity of service is provided while the Manager of Customer Service is focused on CIS
 13 implementation. BPI’s goal is to have a seamless transition, and the inclusion of a Manager of Customer
 14 Service will help to maintain service levels to customers in the areas of telephone accessibility, customer
 15 satisfaction, first contact resolution and billing accuracy.

16 This increase is offset by the decreased “backfill” in the Settlement and Billing Department, of the
 17 temporary Acting Supervisor of Settlement and Billing which was included in 2016 only for the
 18 reorganization of Customer Service/Settlement/Billing under the Meter to Cash implementation.

19 BPI has also included an increase of 0.3 FTE in the SLT, related with a reduced allocation of CEO and CFO
 20 time to BPI’s affiliates. With the implementation of the CIS and other SIP projects in 2017, BPI
 21 anticipates that additional focus in 2017 will be required from these executive roles. Additionally, in
 22 2017, BPI will no longer need to provide management services to its generation affiliate, Brantford
 23 Generation Inc. (BGI).

24 **Non-Management FTE 2016 Bridge to 2017 Test : +2.2 FTE**

25 An overall increase of 2.2 FTE has been budgeted between the 2016 Bridge and 2017 Test years. This is
 26 attributed to the following planned changes:

- 1 • An overall decrease of 0.65 FTE in Finance department associated with the combined impact of
2 the end of the temporary Contract Financial Analyst (hired as “backfill” for the FIS
3 implementation in 2016), as well as increased Financial Analyst and Accounting Clerk allocations
4 to BPI as a result of ceasing services to BGI in 2016 and bringing the payroll and accounts
5 payable services from the City of Brantford.
- 6 • A total increase of 1.75 FTE in 2017 compared to 2016, as a result of an increase of 1.6 FTE via
7 multiple contract roles, and an allotment for a 2017 Customer Service Summer Student. The
8 increased headcount includes consideration for the implementation and testing of the CIS. The
9 temporary increase to headcount will allow BPI to maintain service levels to customers while
10 significant CSR resources will be required for the implementation and testing of the CIS as well
11 as new CIS training.
- 12 • A 0.5 FTE increase to non-management FTE is budgeted related to the return to the regular
13 complement of Settlement, Energy and Smart Meter Officers (SESMOs) in 2017, as the
14 secondment of that SESMO to Acting Supervisor of Settlement and Billing role will terminate
15 2016.
- 16 • A 0.5 FTE increase is budgeted as the full year impact of the return to work in Jun 2016 of a
17 linesperson.

18 **Salaries and Wages (Including Overtime and Incentive Pay)**

	2016 Bridge Year	2017 Test Year	Variance
Total Salary and Wages including overtime and incentive pay			
Management (including executive)	\$ 1,773,992	\$ 1,930,889	\$ 156,897
Non-Management (union and non-union)	\$ 3,315,873	\$ 3,602,016	\$ 286,142
19 Total	\$ 5,089,865	\$ 5,532,905	\$ 443,039

20 **Management Salaries and Wages 2016 to 2017: + \$157 k**

21 Management Salaries and Wages are budgeted to increase almost \$157K between the 2016 Bridge Year
22 and 2017 Test Year. The drivers of this increase are the Customer Service Manager backfill in 2017 and
23 the increased allocation to affiliates in the SLT, together with budgeted economic an performance pay
24 increases.

25 **Non-Management Salaries and Wages 2016 to 2017: +\$286 k**

1 Non-Management salaries and wages are budgeted to increase \$286k from 2016 to 2017. The impact of
2 the 0.5 FTE increase in the linesperson complement, together with a budgeted increase as BPI's
3 Apprentices progress through their apprenticeships, total \$56k. An additional \$103k is associated with
4 the increased FTE count in the Customer Service department related to CIS implementation. This will be
5 partially offset by the decrease associated with the backfill Financial Analyst contract position. BPI has
6 also budgeted a \$25k increase in the Finance associated with the increased allocations of Finance time
7 to BPI in 2017 compared to 2016 The remaining variance is associated with budgeted increases to wages
8 and overtime.

9

1 **Total Benefits (Current + Accrued)**

	2016 Bridge Year	2017 Test Year	Variance
Total Benefits (Current + Accrued)			
Management (including executive)	\$ 481,310	\$ 473,778	-\$ 7,532
Non-Management (union and non-union)	\$ 960,923	\$ 1,047,976	\$ 87,053
Total	\$ 1,442,233	\$ 1,521,753	\$ 79,520

2
3 The total increase in Benefits is \$78,520 from 2016 to 2017. Neither this variance, nor the Management
4 or Non-Management variances meet BPI’s materiality threshold.

5 **Changes in Headcount by Department**

6 The following Table 4.4-G Outlines BPI’s FTE count in each department by year. New positions in each
7 year are identified and outlined below. Please note, where there has been an increase in FTE due to a
8 temporary vacancy, this has not been outlined in the explanations below. In the table below, the
9 Engineering Departments are shown as one line. The Engineering Department has three sections:
10 SCADA; Construction; Systems and Standards.

11

1 **Figure 4.4-G: Headcount by Department**

Department	2013	2014	2015	2016 Bridge Year	2017 Test Year
Administrative	1	1	1	1	1
Communications	-	1	0	1	1
Finance	3	4	3	5	5
SLT	5	4	3	3	4
Customer Service					
<i>Credit and Collections</i>	2	2	2	2	2
<i>Customer Service / Billing</i>	11	11	13	11	13
Billing and Settlement				5	5
Metering and Settlement	5	5	-	-	-
Settlement			2	-	
Engineering	8	8	9	9	9
Facilities	-	-		1	1
Information Technology	-	-	-	1	1
Conservation	2	2	2	3	3
Operations	18	17	18	19	19
Regulatory	3	2	2	3	3
Total	58	54	56	63	66

2
 3 **Changes to Department Headcount**

4 **2013 to 2014**

5 The Administrative Assistant was moved from the Regulatory Department to Communications (which is
 6 a function embedded under the Customer Service and Conservation departments) , consistent with the
 7 increased focus on customer engagement and communication, and to assist the new Vice President of
 8 Customers and Conservation.

9 New permanent Financial Analyst hired. BPI had transferred only two staff in 2012, including only one
 10 Financial Analyst. The work load throughout 2012 and 2013 proved to require two staff, which was
 11 addressed through several temporary contract hires initially, but the second Financial Analyst position
 12 was made permanent in August 2014.

13 A temporary vacancy was created in Regulatory through a maternity leave.

14 The position of Assistant Stock keeper was eliminated in January 2014.

15

16

1 **2014 to 2015**

2 The Administrative Assistant position in the communications was eliminated for the time being as BPI
3 assesses the long term plans for the communications function.

4 An increase in 2015 headcount in the number of Customer Service/ Billing Representatives is associated
5 with the preparation for and implementation of the Ontario Electricity Support Program, as well as the
6 other billing changes made effective January 1, 2016 (the elimination of the Ontario Clean Energy
7 Benefit, the removal of the Debt Retirement Charge for residential customers).

8 Additionally in 2015, the metering and settlement functions were separated, as the two metering
9 positions were included in the Engineering (SCADA) Department. In addition to the two SESMO positions
10 in the Settlement department, the Manager of Settlement position was vacant during much of 2015.

11 There was a long term vacancy created by the departure of the Manager of Systems and Standards in
12 January 2015.

13 **2015 to 2016**

14 BPI intends to fill a position in the Communications function during 2016. This position will manage the
15 internal communications within BPI, ensuring that messaging related to BPI policies and new
16 developments is consistent and effective. The external communications aspects of this position will
17 enhance communication with the public and particularly with customers. The new role will be
18 responsible for the coordination of third party communications service providers. BPI intends to
19 leverage this position and the implementation of a new Outage Management System in the future to
20 enhance the communication with customers during an outage. Specifically, the role will be tasked with
21 the design and implementation and management of BPI's social media presence.

22 The change in the Settlement and Billing Department represents the outcome of the Meter to Cash
23 Study. The new Settlement and Billing Department will include two SESMOs, two Billing Representatives
24 and the Manager of Settlement and Billing. There is an offsetting decrease in the staff complement in
25 the Customer Service department as a result of the transfer of the Billing function.

26 The position of Manager, System Projects and Business Analysis has been added in 2016 to assist with
27 the procurement and implementation of BPI's System Integration Project. This position is primarily
28 tasked with the organization of the various system integration projects, and will leverage key technical
29 expertise to ensure the system procurement and design meet BPI's needs.

30 The new position of Facility Manager has been included in 2016. This position will be required as BPI
31 prepares for and undergoes its move to its new facility in 2016. Until 2016, BPI has purchased Facility

1 Asset Management services from the City of Brantford through its Shared Services Agreement. As BPI
2 will no longer be occupying City of Brantford buildings, BPI will require its own facilities manager. BPI
3 has budgeted a decrease in Facility Asset Management expenses as a result of this position. Additionally,
4 BPI plans to transfer responsibilities related to Purchasing to this position, also previously provided
5 under the Shared Service Agreement with the City of Brantford.

6 The increase in Operations is associated with the increased complement in the Foreman role (from two
7 to three). BPI has included this change as a measure of succession planning. Within the coming 5 years,
8 the two existing Foremen and the Manager of Operations will become eligible for retirement. This
9 succession planning increase will allow BPI to ensure a transfer of knowledge as these retirements take
10 place, and ensure continuity of service to BPI's customers.

11 BPI has included an increase to the staff complement in the Regulatory department following a long
12 term vacancy which began in 2014. In the past years, the staff complement in the Regulatory
13 department has allowed BPI and to respond to internal and external regulatory inquiries, sometimes
14 with difficulty as competing priorities are required with similar deadlines. BPI's plans for the coming
15 years include the continuation of this "day to day" work, as well as required project work which has
16 been delayed as a result of the vacancy in the previous years. The projects include the integration
17 regulatory reporting and rate application items into the FIS, CIS and the budgeting process, as well as
18 the design of a comprehensive compliance review process.

19 The new Conservation Program Coordinator program in 2016 will allow BPI to meet its 2015- 2020 CDM
20 Framework target. As BPI's targets for this new framework have increased significantly over the previous
21 framework, BPI has included additional staff resources to meet an increased work load in such areas as
22 customer outreach.

23 **2016 to 2017**

24 The increased headcount in the SLT is a result of rounding and is associated with the increased allocation
25 of CEO and CFO time to BPI compared to previous years when more time was allocated to affiliated
26 companies.

27 BPI intends to fill a position in the Communications function during 2016. This position will manage the
28 internal communications within BPI, ensuring that messaging related to both BPI and industry policies
29 and new developments is are consistent and effective. The external aspects of this position will enhance
30 communication with public stakeholders, and particularly with customers. The new role will also be
31 responsible for the coordination of third-party communications service providers. BPI intends to
32 leverage this position, together with its new Outage Management System in the future to enhance the

- 1 communication with customers during an outage. Specifically, the role will be tasked with the design
- 2 and management of BPI's social media presence.

1 **4.4.3 Changes to Compensation Not Yet Negotiated**

2

3 BPI has requested confidential treatment for this schedule, as well as Attachment 4-K: **CONFIDENTIAL**
4 **Hay Group Compensation Presentation.**

5 ***Summary of Schedule***

6 The schedule outlines the compensation strategy for its union groups, as well as the non-union group
7 BPPAE. This includes BPI's compensation strategy, including budgeted adjustment rates for the
8 employee groups in 2016 and 2017 and a discussion of the rationale for these strategies.

9 ***Summary of Attachment***

10 The presentation from the Hay Group outlines the job evaluation and "banding" process used by Hay
11 Group to evaluate each non-union position (including executive level and BPPAE), the salary ranges
12 targeted and salary ranges per position, and the associated salaries for each position, and discusses
13 Hay's suggested changes and implementation.

4.4.4 Employee Benefits

BPI provides to its permanent employees a comprehensive and competitive benefits package which includes medical insurance, life insurance, vacation and a company-sponsored retirement plan. The plans are designed to address the health and welfare needs of the employees with similar plans in place for both management and non-management employees. In detail, benefits costs include the following:

- Health and Dental Benefits (through Manulife);
- Accidental Death and Dismemberment and Life Insurance ;
- OMERS Pension Costs ;
- Employer Health Tax;
- CPP and EI contributions; and
- WSIB Insurance.

For the 2016 Bridge and Test year, BPI has assumed the maximum applicable earnings for each of OMERS, CPP and EI will increase 2.58% in each of 2016 and 2017.

OMERS, CPP and EI contribution rates have been held constant with 2015 values. The contribution rates are outlined in table 4.4-H below.

Table 4.4- H: Contribution Rates Used

	Contribution Rate Assumed in 2017 Test Year
OMERS up to OMERS Earning Limit (65 yr retirement/ 60 yr retirement)	9.0%/9.2%
OMERS Over Earning Limit (65 yr retirement/60 yr retirement)	14.6%/15.8%
CPP Premium (up to max. employer contribution)	4.95%
EI Premium Rate (up to max employer contributions)	1.88%
Employer Health Tax	1.95%

1 Manulife health benefits have been assumed to be consistent with 2015 rates for the 2016 Test Year
2 and to grow 1% in 2017 over 2016.

3 Please note that the amounts included in Appendix 2-K consider the allocation of employee costs to
4 affiliates for applicable employees, and this includes an allocation of benefit costs.

5 The following amounts related to Actuarial Expense are included in benefits:

6 **Table 4.4-I: Actuarial Expense per Year**

Year	2013	2014	2015	2016	2017
Actuarial Expense	\$ 113,023	\$ 107,930	\$ 114,882	\$ 119,082	\$ 120,272

7 These amounts correspond to the amounts included in the PILS section of this Exhibit. The most recent
8 actuarial report is included as **Attachment 4-A**.

9 The following table 4.4-J outlines the benefits included with OM&A in each year. BPI does not track
10 separately the benefits component of allocations to capital (done through payroll burden) and has
11 provided estimates based on the earnings allocated to capital.

12 **Table 4.4-J: Benefits in OM&A**

	2013 Board Approved	2013	2014	2015	2016	2017
Est. Benefits to OM&A	\$ 948,466	\$1,014,557	\$ 928,243	\$ 986,453	\$1,200,878	\$1,293,211

1 **4.5 Shared Services and Corporate Cost Allocation**

2 **4.5.1 Shared Services and Corporate Cost Allocation**

3

4 In accordance with Chapter 2 of the Board's Filing Requirements for Electricity Distribution Applications
5 issued on July 16, 2015, information on shared services/corporate cost allocation for Actual 2013, 2014
6 and 2015 Fiscal Years, together with projections for the 2016 Bridge Year and the 2017 Test Year are
7 provided in Appendix 2-N, Table 4.5-A.

8 BPI currently has relationships with four of its affiliates for either the purchase of or provision of
9 services: The City of Brantford, Brantford Hydro Inc. (BHI), Brantford Energy Corporation (BEC), and
10 Brantford Generation Inc. (BGI)

11 **Services Provided:**

12 BPI provides the following services to its affiliates:

- 13 • Street Light Services
- 14 • Corporate Administration (President & Chief Executive Officer (CEO) , the Chief Financial Officer
15 (CFO) & Vice President Corporate Services and Executive Assistant)
- 16 • Financial Services

17 Affiliates provide the following services to BPI:

- 18 • Accounts Payable
- 19 • Payroll
- 20 • Purchasing/ Purchasing Consulting Services
- 21 • Human Resources
- 22 • Information Technology Services
- 23 • Legal and Real Estate Services
- 24 • Mail/Postage Services
- 25 • Telephone Services
- 26 • Insurance and Risk Management
- 27 • Records Management
- 28 • Facility Asset Management (Property Management)
- 29 • Rental of Facilities-Office Space/Warehouse/Vehicle Storage

- 1 • Tree Trimming
- 2 • Corporate Management Services

3 The following section describes in brief the services that BPI purchases from the City of Brantford, since
4 January 1, 2013, the effective date of the existing Shared Services Agreement (SSA). Each service is
5 described in detail in the schedules to the SSA included as **Attachment 4-B** to this Exhibit. The various
6 descriptions include a reference to the specific schedules in the SSA.

7 The current agreement with the City of Brantford expires December 31, 2016. BPI and the City of
8 Brantford have initiated discussions surrounding the future SSA that will be in place effective January 1,
9 2017. BPI is not in a position to assume all of the responsibilities currently provided by the City of
10 Brantford in 2017, however expects to terminate some services including, the rental of facilities, facility
11 asset management, accounts payable and payroll, as a result of BPI's intention to acquire and put in
12 service, a new administrative and operations facility at the end of 2016. BPI expects to negotiate an
13 agreement whereby services to be transferred are renewed on a month-to-month basis, to provide
14 safeguards during this transition, however BPI has forecasted the elimination of these services in the
15 2017 Test Year. The amount that remains in 2017 Payroll represents the liability that BPI has to the City
16 of Brantford to pay premiums for post-employment benefits.

17 **Accounts Payables Services** includes the processing and reviewing of accounts payables, issuing
18 payments through mail or electronic funds transfer. The service provider's Financial Information System
19 is used to process accounts payables. The price for the service is based on fully allocated actual costs as
20 determined by the number of lines per BPI invoices processed as a percentage of total invoice lines
21 processed by the service provider.

22 **Payroll Services** include the processing of BPI payroll, preparation of payroll remittances for various
23 agencies and governmental authorities and completing statutory and regulatory reporting. The service
24 provider's FIS is used to provide payroll services. The price for the service is based on fully allocated
25 actual costs as determined by BPI's yearly average FTE head count as a percentage of the City's total
26 yearly average FTE head count.

27 **Purchasing Services** includes purchasing and consulting services on a requested basis for the
28 procurement of goods and services from third party vendors in accordance with BPI's Purchasing Policy
29 attached as **Attachment 4-C** to this Exhibit. Services are priced on actual costs using the time required to
30 provide the service as the basis for fully allocated costing.

31 **Human Resources Services** include human resources administration services, health and safety services
32 and employment and labour relations services. Administration services involve employee administration

1 and benefits management. Health and safety services include health and safety compliance, Zeroquest
2 certification, WSIB claims management and attendance support program. Administration services and
3 health and safety services are based on the fully allocated actual costs as determined by BPI's yearly
4 average FTE head count as a percentage of the City's total yearly average FTE head count. Employment
5 and labour relations services include collective agreement negotiations and administration, staff
6 recruitment and salary administration based on BPI's collective and employment agreements. The prices
7 for these services are based on fully allocated actual costs using the time required to provide the service
8 as the basis for fully allocated costing.

9 **Information Technology Services** include installation, maintenance, licensing and support of all
10 hardware and software used by BPI. As well, the service provider provides, maintains and supports all
11 networks including network security, e-mail and internet services. The service provider will work on
12 special projects as agreed upon between BPI and the service provider. Services are priced on fully
13 allocated actual costs as follows:

- 14 • For core network services, the number of BPI network users as a percentage of total network
15 users;
- 16 • For Financial Information System use, the number of BPI users as a percentage of total users of
17 the service provider's Financial Information System;
- 18 • For management of Information Technology Services, the estimated time spent managing
19 services;
- 20 • For support of systems owned and used exclusively by BPI, the total expenses to support those
21 systems; that is, 100% of the cost of the function is allocated to BPI;
- 22 • For web development and maintenance charges, hourly charge-out rate based on time required
23 to produce the services; and
- 24 • For special projects and systems development, the estimated cost of the project determined on
25 a per project basis.

26 **Legal and Real Estate Services** include basic legal representation and advice and in-house legal
27 representation to service provider departments providing services to BPI. Services are priced on fully
28 allocated actual costs using the time required to provide the service as the basis for fully allocated
29 costing.

30 **Mail Services:**

31 **Mail Run Services** include delivery of mail from the service provider's location to two of BPI's facilities.
32 Prices are based on market prices to provide such services

33 **Postage Services** involve the processing of outgoing mail excluding customer invoices and including the

1 cost of postage. Prices are based actual costs using the actual number of pieces of mail plus the fully
2 allocated administrative costs to process such services.

3 **Telephone Services** includes provision of a telephone system to BPI locations including system support
4 and repairs, administration and switchboard services. Cost are based on fully allocated actual costs as
5 determined by the number of telephone lines used by BPI as a percentage of total number of telephone
6 lines used by the City.

7 **Insurance and Risk Management Services** include the placement and management of general
8 comprehensive liability insurance, property insurance and vehicle insurance, claims administration,
9 assistance in developing risk management procedures and advice on contracts. Along with the actual
10 premium costs, administrative costs are based on the value of BPI premiums as a percentage of
11 premiums administered by the City.

12 **Records Management Services** include records storage, retrieval and destruction as well as
13 maintenance of file plans and retention schedules. Prices are based on market prices to provide such
14 services.

15 **Facility Asset Management Services** includes management of the properties rented by BPI, including
16 the Administration offices at 84 Market Street, Customer Services offices at 220 Colborne Street and
17 Service Centre at 400 Grand River Avenue. BPI's stores and vehicle garage are also located at 400 Grand
18 River Avenue. Services include all aspects of property management such as janitorial, mechanical,
19 electrical, security, landscaping and general maintenance and repairs. Prices are based on fully allocated
20 actual costs as determined by the estimated percentage of time spent performing such services. Repairs
21 and maintenance services are based on actual costs applied to the square footage of space used by BPI
22 in those properties as a percentage of the total square footage of the facilities.

23 **Rental of Facilities – Office Space** pertains to the rental fees paid by BPI for use of Administration offices
24 at 84 Market Street and Customer Services facilities at 220 Colborne Street. The rental fee is based on
25 market rates applied to the square footage of space occupied by BPI.

26 **Rental of Facilities – Office, Warehouse, and Vehicle Storage** pertains to the rental fee paid by BPI for
27 use of facilities at 400 Grand River Avenue, which is the location of its Service Centre. The rental fee is
28 based on market rates applied to the square footage of space occupied by BPI.

29 **Tree Trimming Services (or Forestry Services)** include coordinating tree trimming requirements with the
30 third party vendor, scheduling emergency work as required and assessing trees. A third party vendor
31 selected as a result of a valid tendering procedure undertakes actual tree trimming work. Prices are

1 based on market as determined through this tendering process and applied to the percentage of BPI's
2 actual work orders.

3 The following section describes in brief the services that BPI purchases from Brantford Energy
4 Corporation (BEC). Each service is described in detail in the schedules to the Group Services Agreement
5 included as **Attachment 4-D** to this Exhibit. The various descriptions include a reference to the specific
6 schedules in the Group Service Agreement.

7 **Corporate Management Services** include the provision of strategic direction and oversight of corporate
8 management services as applicable to BPI. The prices are determined based on total direct and indirect
9 costs of BEC multiplied by the portion allocated to BPI. Direct costs specifically attributable to BPI will be
10 excluded from the above calculation, and will be paid directly by BPI.

11 BPI includes the Corporate Management Services in Account 4380- Expenses from Non-Utility
12 Operations, and therefore does not include these expenses in Revenue Requirement. As a result, BPI
13 excludes this service from Appendix 2-N.

14 The following section describes in brief the services that Brantford Energy Corporation ("BEC"),
15 Brantford Hydro Inc. ("BHI") and Brantford Generation Inc. ("BGI") purchase from BPI. Each service is
16 described in detail in the schedules to the Group Services Agreement included as **Attachment 4-D** to this
17 Exhibit. The various descriptions include a reference to the specific schedules in the Group Service
18 Agreement.

19 **Executive Services include:**

- 20
- 21 • President and CEO including all statutory and other activities of the President and CEO, and the
22 President and CEO's office as applicable to BEC, BHI and BGI.
 - 23 • CFO and Vice President of Corporate Services , Corporate Secretary, including all statutory and
24 other responsibilities as applicable to the activities of BEC, BHI and BGI.
 - 25 • Executive Assistant to the President and CEO; including all administrative and Board support
26 responsibilities as applicable to the activities of BEC, BHI and BGI.

26 The prices are determined based on total direct and indirect costs of BPI multiplied by the portion
27 allocated to BEC, BHI and BGI. Direct costs specifically attributable to BEC, BHI and BGI will be excluded
28 from the above calculation, and will be paid directly by BEC, BHI and BGI respectively.

29 **Financial Services** include all necessary accounting, banking and cash management, budgeting, accounts
30 receivable, accounts payable, reporting, risk management, tax/PILs administration, and other financial
31 services relating to the activities of BEC, BHI and BGI. The prices are determined based on total direct

1 and indirect costs of BPI multiplied by the portion allocated to BEC, BHI and BGI. Direct costs specifically
 2 attributable to BEC, BHI and BGI will be excluded from the above calculation, and will be paid directly by
 3 BEC, BHI and BGI respectively.

4 **Shared Services and Corporate Cost Allocation – Variance Analysis**

5 BPI has completed Appendix 2-N in relation to each service provided or received for Historical (actuals),
 6 Bridge and Test years and presented below. A variance analysis follows. In addition, BPI has provided a
 7 reconciliation of the revenue arising from Appendix 2-N with the amounts included in Other Revenue in
 8 Exhibit 3.

Table 4.5-A: Appendix 2-N
Appendix 2-N
Shared Services and Corporate Cost Allocation ¹

Year: 2013

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
City of Brantford	Brantford Power Inc.	Accounts Payable	Cost-based	\$ 41,455.00	\$ 41,455.00
City of Brantford	Brantford Power Inc.	Payroll	Cost-based	\$ 85,012.56	\$ 85,012.56
City of Brantford	Brantford Power Inc.	Purchasing	Cost-based	\$ 13,280.45	\$ 13,280.45
City of Brantford	Brantford Power Inc.	Human Resources	Cost-based	\$ 75,766.26	\$ 75,766.26
City of Brantford	Brantford Power Inc.	Information Technology	Cost-based	\$ 790,120.53	\$ 790,120.53
City of Brantford	Brantford Power Inc.	Legal and Real Estate	Cost-based	\$ 24,736.72	\$ 24,736.72
City of Brantford	Brantford Power Inc.	Mailrun	Market-based	\$ 17,189.16	Not Available
City of Brantford	Brantford Power Inc.	Telephone Service	Cost-based	\$ 19,195.27	\$ 19,195.27
City of Brantford	Brantford Power Inc.	Insurance and Risk Management	Market-based [premiums], Cost-based [Administration]	\$ 137,979.38	\$ 137,979.38
City of Brantford	Brantford Power Inc.	Records Management	Market-based	\$ 5,526.09	Not Available
City of Brantford	Brantford Power Inc.	Facility Asset Management	Cost-based	\$ 188,304.20	\$ 188,304.20
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office Space	Market-based	\$ 135,534.00	Not Available
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office/Warehouse/Vehicle Storage	Market-based	\$ 213,575.92	Not Available
City of Brantford	Brantford Power Inc.	Tree Trimming	Market-based [third-party services]; Cost-based [Administration]	\$ 376,223.23	\$ 376,223.23
Brantford Power Inc.	City of Brantford	Street Light Maintenance	Cost-based	\$ 122,250.59	\$ 122,250.59
Brantford Power Inc.	Brantford Hydro Inc.	Sentinel Light Maintenance	Cost-based	\$ 11,491.99	\$ 11,491.99

Year: 2014

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Brantford Power Inc	BEC	Executive Services	Cost Based	\$ 13,068.99	\$ 13,068.99
Brantford Power Inc	BEC	Financial Services	Cost Based	\$ 2,116.10	\$ 2,116.10
Brantford Power Inc	BHI	Executive Services	Cost Based	\$ 32,653.28	\$ 32,653.28
Brantford Power Inc	BHI	Financial Services	Cost Based	\$ 3,387.84	\$ 3,387.84
Brantford Power Inc	BGI	Executive Services	Cost Based	\$ 31,625.51	\$ 31,625.51
Brantford Power Inc	BGI	Financial Services	Cost Based	\$ 2,958.78	\$ 2,958.78
City of Brantford	Brantford Power Inc.	Accounts Payable	Cost-based	\$ 46,322.00	\$ 46,322.00
City of Brantford	Brantford Power Inc.	Payroll	Cost-based	\$ 59,224.34	\$ 59,224.34
City of Brantford	Brantford Power Inc.	Purchasing	Cost-based	\$ 17,293.80	\$ 17,293.80
City of Brantford	Brantford Power Inc.	Human Resources	Cost-based	\$ 114,532.57	\$ 114,532.57
City of Brantford	Brantford Power Inc.	Information Technology	Cost-based	\$ 854,342.87	\$ 854,342.87
City of Brantford	Brantford Power Inc.	Legal and Real Estate	Cost-based	\$ 15,621.86	\$ 15,621.86
City of Brantford	Brantford Power Inc.	Mailrun	Market-based	\$ 7,574.70	Not Available
City of Brantford	Brantford Power Inc.	Telephone Service	Cost-based	\$ 8,060.23	\$ 8,060.23
City of Brantford	Brantford Power Inc.	Insurance and Risk Management	Market-based [premiums], Cost-based [Administration]	\$ 135,992.66	\$ 135,992.66
City of Brantford	Brantford Power Inc.	Records Management	Market-based	\$ 5,334.47	Not Available
City of Brantford	Brantford Power Inc.	Facility Asset Management	Cost-based	\$ 210,620.34	\$ 210,620.34
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office Space	Market-based	\$ 135,537.00	Not Available
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office/Warehouse/Vehicle Storage	Market-based	\$ 212,681.37	Not Available
City of Brantford	Brantford Power Inc.	Tree Trimming	Market-based [third-party services]; Cost-based [Administration]	\$ 320,061.86	\$ 320,061.86
Brantford Power Inc.	City of Brantford	Street Light Maintenance	Cost-based	\$ 122,116.74	\$ 122,116.74
Brantford Power Inc.	Brantford Hydro Inc.	Sentinel Light Maintenance	Cost-based	\$ 24,851.82	\$ 24,851.82

1

Year: 2015

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Brantford Power Inc	BEC	Executive Services	Cost Based	\$ 95,695.16	\$ 95,695.16
Brantford Power Inc	BEC	Financial Services	Cost Based	\$ 23,537.78	\$ 23,537.78
Brantford Power Inc	BHI	Executive Services	Cost Based	\$ 57,600.16	\$ 57,600.16
Brantford Power Inc	BHI	Financial Services	Cost Based	\$ 121,926.54	\$ 121,926.54
Brantford Power Inc	BGI	Executive Services	Cost Based	\$ 87,892.62	\$ 87,892.62
Brantford Power Inc	BGI	Financial Services	Cost Based	\$ 23,577.03	\$ 23,577.03
City of Brantford	Brantford Power Inc.	Accounts Payable	Cost-based	\$ 54,131.00	\$ 54,131.00
City of Brantford	Brantford Power Inc.	Payroll	Cost-based	\$ 83,177.67	\$ 83,177.67
City of Brantford	Brantford Power Inc.	Purchasing	Cost-based	\$ 24,191.94	\$ 24,191.94
City of Brantford	Brantford Power Inc.	Human Resources	Cost-based	\$ 78,333.87	\$ 78,333.87
City of Brantford	Brantford Power Inc.	Information Technology	Cost-based	\$ 750,247.16	\$ 750,247.16
City of Brantford	Brantford Power Inc.	Legal and Real Estate	Cost-based	\$ 15,521.74	\$ 15,521.74
City of Brantford	Brantford Power Inc.	Mailrun	Market-based	\$ 8,098.61	Not Available
City of Brantford	Brantford Power Inc.	Telephone Service	Cost-based	\$ 11,017.30	\$ 11,017.30
City of Brantford	Brantford Power Inc.	Insurance and Risk Management	Market-based [premiums], Cost-based [Administration]	\$ 108,959.05	\$ 108,959.05
City of Brantford	Brantford Power Inc.	Records Management	Market-based	\$ 6,378.95	Not Available
City of Brantford	Brantford Power Inc.	Facility Asset Management	Cost-based	\$ 205,770.64	\$ 205,770.64
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office Space	Market-based	\$ 139,205.04	Not Available
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office/Warehouse/Vehicle Storage	Market-based	\$ 214,096.22	Not Available
City of Brantford	Brantford Power Inc.	Tree Trimming	Market-based [third-party services]; Cost-based [Administration]	\$ 362,950.23	\$ 362,950.23
Brantford Power Inc.	City of Brantford	Street Light Maintenance	Cost-based	\$ 147,554.63	\$ 147,554.63
Brantford Power Inc.	Brantford Hydro Inc.	Sentinel Light Maintenance	Cost-based	\$ 6,562.78	\$ 6,562.78

2

Year: 2016

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Brantford Power Inc	BEC	Executive Services	Cost Based	\$ 37,819.00	\$ 37,819.00
Brantford Power Inc	BEC	Financial Services	Cost Based	\$ 32,768.38	\$ 32,768.38
Brantford Power Inc	BHI	Executive Services	Cost Based	\$ 66,317.00	\$ 66,317.00
Brantford Power Inc	BHI	Financial Services	Cost Based	\$ 150,554.71	\$ 150,554.71
Brantford Power Inc	BGI	Executive Services	Cost Based	\$ 65,077.00	\$ 65,077.00
Brantford Power Inc	BGI	Financial Services	Cost Based	\$ 31,733.05	\$ 31,733.05
City of Brantford	Brantford Power Inc.	Accounts Payable	Cost-based	\$ 55,823.00	\$ 55,823.00
City of Brantford	Brantford Power Inc.	Payroll	Cost-based	\$ 86,932.00	\$ 86,932.00
City of Brantford	Brantford Power Inc.	Purchasing	Cost-based	\$ 20,000.00	\$ 20,000.00
City of Brantford	Brantford Power Inc.	Human Resources	Cost-based	\$ 66,905.00	\$ 66,905.00
City of Brantford	Brantford Power Inc.	Information Technology	Cost-based	\$ 898,448.00	\$ 898,448.00
City of Brantford	Brantford Power Inc.	Legal and Real Estate	Cost-based	\$ 12,190.00	\$ 12,190.00
City of Brantford	Brantford Power Inc.	Mailrun	Market-based	\$ 7,674.00	Not Available
City of Brantford	Brantford Power Inc.	Telephone Service	Cost-based	\$ 8,580.00	\$ 8,580.00
City of Brantford	Brantford Power Inc.	Insurance and Risk Management	Market-based [premiums], Cost-based [Administration]	\$ 110,822.00	\$ 110,822.00
City of Brantford	Brantford Power Inc.	Records Management	Market-based	\$ 6,154.00	Not Available
City of Brantford	Brantford Power Inc.	Facility Asset Management	Cost-based	\$ 218,469.00	\$ 218,469.00
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office Space	Market-based	\$ 140,597.00	Not Available
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office/Warehouse/Vehicle Storage	Market-based	\$ 215,836.00	Not Available
City of Brantford	Brantford Power Inc.	Tree Trimming	Market-based [third-party services]; Cost-based [Administration]	\$ 337,587.00	\$ 337,587.00
Brantford Power Inc.	City of Brantford	Street Light Maintenance	Cost-based	\$ 160,756.93	\$ 160,756.93

1

Year: 2017

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Brantford Power Inc	BEC	Executive Services	Cost Based	\$ 36,542.00	\$ 36,542.00
Brantford Power Inc	BEC	Financial Services	Cost Based	\$ 36,670.63	\$ 36,670.63
Brantford Power Inc	BHI	Executive Services	Cost Based	\$ 63,671.00	\$ 63,671.00
Brantford Power Inc	BHI	Financial Services	Cost Based	\$ 165,533.30	\$ 165,533.30
Brantford Power Inc	BGI	Executive Services	Cost Based	\$ -	\$ -
Brantford Power Inc	BGI	Financial Services	Cost Based	\$ -	\$ -
City of Brantford	Brantford Power Inc.	Accounts Payable	Cost-based	\$ -	\$ -
City of Brantford	Brantford Power Inc.	Payroll	Cost-based	\$ 77,230.00	\$ 77,230.00
City of Brantford	Brantford Power Inc.	Purchasing	Cost-based	\$ -	\$ -
City of Brantford	Brantford Power Inc.	Human Resources	Cost-based	\$ 68,243.00	\$ 68,243.00
City of Brantford	Brantford Power Inc.	Information Technology	Cost-based	\$ 916,417.00	\$ 916,417.00
City of Brantford	Brantford Power Inc.	Legal and Real Estate	Cost-based	\$ 12,434.00	\$ 12,434.00
City of Brantford	Brantford Power Inc.	Mailrun	Market-based	\$ 7,827.00	Not Available
City of Brantford	Brantford Power Inc.	Telephone Service	Cost-based	\$ 8,752.00	\$ 8,752.00
City of Brantford	Brantford Power Inc.	Insurance and Risk Management	Market-based [premiums], Cost-based [Administration]	\$ 113,038.00	\$ 113,038.00
City of Brantford	Brantford Power Inc.	Records Management	Market-based	\$ 6,277.00	Not Available
City of Brantford	Brantford Power Inc.	Facility Asset Management	Cost-based	\$ -	\$ -
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office Space	Market-based	\$ -	\$ -
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office/Warehouse/Vehicle Storage	Market-based	\$ -	\$ -
City of Brantford	Brantford Power Inc.	Tree Trimming	Market-based [third-party services]; Cost-based [Administration]	\$ 344,339.00	\$ 344,339.00
Brantford Power Inc.	City of Brantford	Street Light Maintenance	Cost-based	\$ 171,205.56	\$ 171,205.56

2

3 Variances between the 2013 Board Approved and 2017 Test Year and between 2015 Actuals and the
 4 2017 Test Year are summarized in Table 4.5-B below. Variances over \$100,000 have been explained.

1

Table 4.5-B: Shared Services Variance Analysis

Name of Company		Service Offered	2013 Board Approved	2015 Actual	2017 Test Year	Variance (2015 Actual to 2017 Test Year)	Variance (2013 B.A. to 2017 Test Year)
From	To						
Brantford Power Inc	BEC	Executive Services	\$ -	\$ 95,695.16	\$ 36,542.00	\$ (59,153.16)	\$ 36,542.00
Brantford Power Inc	BEC	Financial Services	\$ -	\$ 23,537.78	\$ 36,670.63	\$ 13,132.85	\$ 36,670.63
Brantford Power Inc	BHI	Executive Services	\$ -	\$ 57,600.16	\$ 63,671.00	\$ 6,070.84	\$ 63,671.00
Brantford Power Inc	BHI	Financial Services	\$ -	\$ 121,926.54	\$ 165,533.30	\$ 43,606.76	\$ 165,533.30
Brantford Power Inc	BGI	Executive Services	\$ -	\$ 87,892.62	\$ -	\$ (87,892.62)	\$ -
Brantford Power Inc	BGI	Financial Services	\$ -	\$ 23,577.03	\$ -	\$ (23,577.03)	\$ -
City of Brantford	Brantford Power Inc.	Accounts Payable	\$ 48,717.96	\$ 54,131.00	\$ -	\$ (54,131.00)	\$ (48,717.96)
City of Brantford	Brantford Power Inc.	Payroll	\$ 14,064.58	\$ 83,177.67	\$ 77,230.00	\$ (5,947.67)	\$ 63,165.42
City of Brantford	Brantford Power Inc.	Purchasing	\$ 16,696.97	\$ 24,191.94	\$ -	\$ (24,191.94)	\$ (16,696.97)
City of Brantford	Brantford Power Inc.	Human Resources	\$ 71,613.41	\$ 78,333.87	\$ 68,243.00	\$ (10,090.87)	\$ (3,370.41)
City of Brantford	Brantford Power Inc.	Information Technology	\$ 792,988.43	\$ 750,247.16	\$ 916,417.00	\$ 166,169.84	\$ 123,428.57
City of Brantford	Brantford Power Inc.	Legal and Real Estate	\$ 24,750.99	\$ 15,521.74	\$ 12,434.00	\$ (3,087.74)	\$ (12,316.99)
City of Brantford	Brantford Power Inc.	Mailrun	\$ 8,555.57	\$ 8,098.61	\$ 7,827.00	\$ (271.61)	\$ (728.57)
City of Brantford	Brantford Power Inc.	Telephone Service	\$ 49,457.08	\$ 11,017.30	\$ 8,752.00	\$ (2,265.30)	\$ (40,705.08)
City of Brantford	Brantford Power Inc.	Insurance and Risk Management	\$ 113,243.87	\$ 108,959.05	\$ 113,038.00	\$ 4,078.95	\$ (205.87)
City of Brantford	Brantford Power Inc.	Records Management	\$ 5,570.28	\$ 6,378.95	\$ 6,277.00	\$ (101.95)	\$ 706.72
City of Brantford	Brantford Power Inc.	Facility Asset Management	\$ 156,102.91	\$ 205,770.64	\$ -	\$ (205,770.64)	\$ (156,102.91)
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office Space	\$ 132,261.00	\$ 139,205.04	\$ -	\$ (139,205.04)	\$ (132,261.00)
City of Brantford	Brantford Power Inc.	Rental of Facilities-Office/Warehouse/Vehicle Storage	\$ 294,867.39	\$ 214,096.22	\$ -	\$ (214,096.22)	\$ (294,867.39)
City of Brantford	Brantford Power Inc.	Tree Trimming	\$ 381,217.87	\$ 362,950.23	\$ 344,339.00	\$ (18,611.23)	\$ (36,878.87)
Brantford Power Inc.	City of Brantford	Street Light Maintenance	\$ 150,000.00	\$ 147,554.63	\$ 171,205.56	\$ 23,650.93	\$ 21,205.56
Brantford Power Inc.	Brantford Hydro Inc.	Sentinel Light Maintenance	\$ 10,000.00	\$ 6,562.78	\$ -	\$ (6,562.78)	\$ (10,000.00)

2

3 2017 Test Year vs. 2015 Actual

4 During 2014, BPI began providing executive and financial services to its affiliates, BEC, BGI and BHI. BPI
5 does not expect to provide services to BGI in the 2017 Test Year as a result of the plan to sell BGI's
6 assets to the City of Brantford during 2016, creating a decrease between the 2015 Actual and 2017 Test
7 Year.

8 IT costs are projected to increase from 2015 Actual to the 2017 Test Year by \$166,170. In 2015, there
9 was one less Programmer Analyst than originally anticipated and included in the Shared Services
10 Agreement with the City of Brantford. This City of Brantford employee is anticipated to return during
11 2016 and therefore BPI has budgeted the 2017 Test Year including this individual, especially due to the
12 transition from the legacy CIS to the new CIS planned for 2017.

13 Facility Asset Management, Rental of Facilities (Office Space) and Rental of Facilities
14 (Office/Warehouse/Vehicles Storage) are all expected to be eliminated as a result of the plan to acquire
15 and put in service, a new administration and operations facility in 2016. BPI has therefore eliminated
16 these services in the 2017 Test Year Forecast.

17 There are no additional significant variances to report.

18 2017 Test Year vs. 2013 Board Approved

1 During 2014, BPI began providing executive and financial services to its affiliates, BEC, BGI and BHI,
 2 creating a significant increase between 2013 Board Approved and the 2017 Test Year. BPI does not
 3 expect to provide services to BGI in the 2017 Test Year as a result of the plan to sell BGI's assets to the
 4 City of Brantford during 2016.

5 IT costs are projected to increase from 2013 Board Approved to the 2017 Test Year by \$123,429. In
 6 2013, there was one less Programmer Analyst than originally anticipated and included in the Shared
 7 Services Agreement with the City of Brantford. This City of Brantford employee is anticipated to return
 8 during 2016 and therefore BPI has budgeted the 2017 Test Year including this individual, especially due
 9 to the ramp up of the CIS project in 2017.

10 Facility Asset Management, Rental of Facilities (Office Space) and Rental of Facilities
 11 (Office/Warehouse/Vehicles Storage) are all expected to be eliminated as a result of the plan to acquire
 12 and put in service, a new facility in 2016. BPI has therefore eliminated these services in the 2017 Test
 13 Year Forecast.

14 There are no additional significant variances to report.

15 **Reconciliation of Revenues from Affiliates**

16 BPI's services provided to its affiliates outlined in Appendix 2-N are reconciled to USoA accounts in Table
 17 4.5-C below.

18 **Table 4.5-C: Reconciliation to Other Revenues**

Per Appendix 2-N	2013 Actual	2014 Actual	2015 Actual	2016 Bridge Year	2017 Test Year
BPI to BEC	\$ -	\$ 15,185	\$ 119,233	\$ 70,587	\$ 73,213
BPI to BHI	\$ -	\$ 36,041	\$ 179,527	\$ 216,872	\$ 229,204
BPI to BGI	\$ -	\$ 34,584	\$ 111,470	\$ 96,810	\$ -
Total per Appendix 2-N	\$ -	\$ 85,811	\$ 410,229	\$ 384,269	\$ 302,417
Revenue from affiliates in 4375- Revenue from Non-Utility Operations	\$ -	\$ 85,811	\$ 410,229	\$ 384,269	\$ 302,417
Difference	\$ -	\$ -	\$ -	\$ 0	\$ 0

19
 20 **Board of Director Costs for Affiliates**

21 All costs relating to the BEC Board of Directors are charged directly to BEC. BPI includes its proportionate
 22 share of these costs representing 1/3rd of \$25,000, or \$8,333, in Revenue Requirement. No Board of
 23 Director costs associated with affiliates have been included in the Revenue Requirement calculations.

1 **4.6 Purchases of Non-Affiliated Services**

2 **4.6.1 Purchases of Non-Affiliated Services**

3

4 BPI's Purchasing Policy establishes the principles, requirements, accountabilities and guidelines for the
5 purchase of goods and services. The Purchasing Policy outlines authorization levels, requirements and
6 approvals necessary to appropriately purchase goods and services from suppliers, vendors and
7 contractors through the use of competitive bids, quotations and awards.

8 The policy ensures that the procurement activities of BPI follow legal, ethical, managerial, and
9 professional standards. BPI's Purchasing Policy does identify certain situations where a competitive bid
10 process may not be followed. BPI confirms that it is in compliance with the Purchasing Policy. In
11 accordance with the Board's Filing Requirements issued on July 16, 2015, BPI has provided a copy of its
12 Purchasing Policy as **Attachment 4-C**.

13 Tables 4.6-A below illustrates BPI's purchases by vendor for 2013 to 2015, where actual expenditures
14 exceeded the \$100,000 materiality threshold calculated for this application. The table also identifies the
15 method of selecting the vendor. BPI anticipates using the same vendors for 2016 and 2017; however BPI
16 continually searches for new suppliers.

1

Table 4.6-A: Purchases by Vendor 2013 to 2015

Supplier	Vendor Description	Purchasing Methodology	2013	2014	2015
ABB INC	Transformers, HV Equipment	RFQ	\$ 138,575.00	\$ 122,878.56	\$ 142,281.00
BLACK & MCDONALD LIMITED	Equipment Repairs and Maintenance	RFP	\$ 142,789.46	\$ 41,184.29	\$ 28,790.25
BORDEN LADNER GERVAIS LLP	Legal and Consulting Services	RFP	\$ 144,704.02	\$ 57,792.86	\$ 2,938.50
BRANT COUNTY POWER INC.	Wooden Poles	Sole Source			\$ 168,855.99
CUSHMAN & WAKEFIELD, IN TRUST	Commercial Real Estate	Sole Source - Board Approval			\$ 100,000.00
EAST-COURT FORD LINCOLN	Vehicles	RFQ	\$ 104,804.15	\$ 56,380.00	
ELECTRICITY DISTRIBUTORS	Membership Fees and Conferences	Sole Source	\$ 7,529.00	\$ 65,545.00	\$ 132,553.00
EMPIRE COMMUNITIES LTD.	Cables	Alternative Bid / Economic Evaluation	\$ 268,549.16		
GREENSAVER	Contracted Services	RFP	\$ 117,270.65	\$ 9,231.44	
G-TEL	Locate Services	RFP	\$ 74,223.46	\$ 113,321.49	\$ 95,703.95
GUELPH UTILITY POLE	Utility Poles	RFQ	\$ 128,088.00	\$ 80,828.00	\$ 50,128.00
INTERGRAPH CANADA LTD.	Computer Software	Sole Source	\$ 123,951.32	\$ 68,371.72	\$ 41,452.00
KPC POWER ELECTRICAL LTD.	Ts Capacitor Banks	RFP	\$ -	\$ -	\$ 365,089.46
MCKENZIE ELECTRIC & PLUMBING	Contracted Services	RFP	\$ 193,052.50	\$ 151,623.40	\$ 37,877.00
NEDCO	Contracted Services	RFP	\$ 104,347.21	\$ 184,228.95	\$ 53,842.00
PACHECOS CONTRACTORS LTD.	Construction Services	RFP	\$ 115,349.36	\$ -	\$ -
POWER FACTORY, THE	Outreach Services	RFQ	\$ -	\$ -	\$ 104,390.82
R.L. LANCASTER CONSTRUCTION	Contractor Repairs & Maintenance	RFP	\$ 102,137.14	\$ 204,502.63	\$ 193,297.08
S.M. GROUP INTERNATIONAL, THE	TS Capacitor Banks	RFP / Sole Source	\$ 49,280.00	\$ -	\$ 112,897.50
SCHNEIDER ELECTRIC CANADA	Ts Capacitor Banks	RFP	\$ -	\$ -	\$ 477,358.81
SOUTHWEST POWER CORPORATION	Construction Services	RFP	\$ 171,891.05	\$ 424,971.78	\$ 309,996.80
URBAN ENVIRONMENT CENTRE	Contracted Services	RFP	\$ 8,864.56	\$ 210,391.72	\$ 90,836.21
UTIL-ASSIST INC.	Professional Services	RFP / Sole Source	\$ 102,330.20	\$ 50,107.40	\$ 33,311.51
VICANO CONSTRUCTION LTD./ VICANO DEVELOPMENTS LTD.	Overhead Services	Alternative Bid / Economic Evaluation	\$ 10,133.87	\$ -	\$ 169,048.00
WAJAX EQUIPMENT	Vehicles	RFP	\$ 30,649.11	\$ 31,024.88	\$ 385,173.90
WILDGOOSE, JULIE	Outreach Services	RFQ	\$ 43,669.00	\$ 123,358.09	\$ -

2

1 **4.7 One-Time Costs and Regulatory Expenses**

2 **4.7.1 One-Time Costs**

3

4 BPI has included \$69,532 in its 2017 Test Year revenue requirement based on a five year recovery until
5 the next cost of service application. That amount represents one-fifth of the total forecasted costs of
6 \$347,659 related to this Application. The total costs are amortized over a five year period. The costs are
7 identified in Table 4.7.1-A below.

8

Table 4.7.1-A: One-time Costs

One-Time Cost	Total Cost	2017 Test Year
Cost of Service Application	347,659	69,532

9

10 **Cost of Service Application**

11 BPI estimates that the total incremental costs associated with the Cost of Service Application will be
12 \$347,659, of which \$29,160 is in 2015 historical year and \$318,499 in the 2016 bridge year. Details are
13 described in the regulatory section of this Exhibit, Table 4.7.2-A, Board Appendix 2-M. One fifth of this
14 amount has been included in the 2017 Test Year.

15 As noted in Section 2.4.2, BPI has treated its System Integration Projects similar to one-time costs,
16 where the costs forecasted from 2017 to 2021 have been amortized evenly over the 5 years. BPI has
17 done this to ensure revenue requirement for the 2017 Test Year is not overstated by one-time
18 implementation costs. BPI has not included any implementation costs expecting to be incurred in the
19 2016 Bridge Year in revenue requirement.

1 **4.7.2 Regulatory Costs**
2

3 BPI has forecasted regulatory wages and benefits, based on maintaining the regulatory staff
4 complement established in 2013. Regulatory staff departures during 2014 and 2015 left vacancies in the
5 Regulatory Department resulting in the department operating at times below the organizational
6 requirements. The Regulatory Department is primarily responsible for preparing Regulatory Filings and
7 Rate Applications, ensuring regulatory and legislative compliance and providing input to the various
8 regulatory agencies.

9 BPI's other regulatory expenses include annual assessment fees paid to the OEB, cost awards for
10 hearings, proceedings and other matters before the regulatory body and costs associated with
11 consultants providing regulatory compliance assistance.

12 BPI will incur significant costs for preparing, processing and approval of this Application. The costs
13 include consulting and legal fees, incremental expenses related to preparing the Application, and
14 Intervenor/OEB Cost Awards as identified in Table 4.7.2-A, Board Appendix 2-M. BPI's Consulting
15 Services identified in Table 4.6-C include legal expenses since BPI is billed on a total basis from the
16 consulting firm for both services. The total cost for this Application is forecasted to be \$347,659. BPI has
17 forecasted \$107,099 for legal; \$100,000 for consultants; \$127,000 for OEB and Intervenor expenses and
18 \$13,560 for Incremental Costs in preparation of this Application. BPI requests approval of these costs to
19 be recovered over a five year period. Therefore, in the 2017 Test Year, BPI has included \$69,532 in
20 OM&A.

1

Table 4.7.2-A: Regulatory Costs, Appendix 2-M

**Appendix 2-M
Regulatory Cost Schedule**

Regulatory Cost Category	USoA Account	USoA Account Balance	Ongoing or One-time Cost? ²	Last Rebasing Year (2013 Board Approved)	Most Current Actuals Year 2015	2016 Bridge Year	Annual % Change	2017 Test Year	Annual % Change
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) = ((G)-(F))/(F)	(I)	(J) = ((I)-(G))/(G)
1 OEB Annual Assessment	5655	\$ -	On-Going	\$ 108,000	\$ 88,712	\$ 95,000	7.09%	\$ 95,000	0.00%
2 OEB Section 30 Costs (Applicant-originated)	0	\$ -		\$ -	\$ -	\$ -		\$ -	
3 OEB Section 30 Costs (OEB-initiated)	5655	\$ -	One-Time	\$ 10,000	\$ -	\$ -		\$ -	
4 Expert Witness costs for regulatory matters	0	\$ -		\$ -	\$ -	\$ -		\$ -	
5 Legal costs for regulatory matters	5630	\$ -	One-Time	\$ 29,750	\$ -	\$ -		\$ -	
6 Consultants' costs for regulatory matters	5630/5655	\$ -	One-Time	\$ 29,750	\$ 25,000	\$ 182,099	628.40%	\$ -	-100.00%
7 Operating expenses associated with staff resources allocated to regulatory matters	5605/5615	\$ -	On-Going	\$ 283,016	\$ 193,032	\$ 284,321	47.29%	\$ 288,887	1.61%
8 Operating expenses associated with other resources allocated to regulatory matters ¹	0	\$ -	On-Going	\$ 21,108	\$ -	\$ -		\$ -	
9 Other regulatory agency fees or assessments	5655	\$ -	On-Going	\$ 19,000	\$ -	\$ -		\$ -	
10 Any other costs for regulatory matters (please define)	5615	\$ -	One-Time	\$ -	\$ 4,160	\$ 9,400	125.96%	\$ -	-100.00%
Intervenor costs	5655	\$ -	On-Going	\$ -	\$ 13,847	\$ 5,000		\$ 10,000	
11 Intervenor costs	5655	\$ -	One-Time	\$ 7,500	\$ -	\$ 127,000		\$ -	-100.00%
12 Sub-total - Ongoing Costs ³		\$ -		\$ 431,124	\$ 295,591	\$ 384,321	30.02%	\$ 393,887	2.49%
13 Sub-total - One-time Costs ⁴		\$ -		\$ 77,000	\$ 29,160	\$ 318,499	992.25%	\$ -	-100.00%
14 Total		\$ -		\$ 508,124	\$ 324,751	\$ 702,820	116.42%	\$ 393,887	-43.96%

Please fill out the following table for all one-time costs related to this cost of service application to be amortized over the test year plus the IRM period.

	Historical Year(s)	2016 Bridge Year	2017 Test Year
4 Expert Witness costs	0	0	0
5 Legal costs	0	\$60,000	0
6 Consultants' costs	25000	\$122,099	0
7 Incremental operating expenses associated with staff resources allocated to this application.	4000	\$8,000	0
8 Incremental operating expenses associated with other resources allocated to this application. ¹	160	\$1,400	0
11 Intervenor costs	0	\$127,000	0

2

1 **4.8 Low-Income Energy Assistance Program and Charitable and Political**
2 **Donations**

3 **4.8.1 Low-Income Energy Assistance Program (“LEAP”)**
4

5 In March 2009, the OEB issued its *Report of the Board: Low Income Energy Assistance Program (the LEAP*
6 *Report)* which describes policies and measures for electricity and natural gas distributors to assist low-
7 income energy consumers, including emergency financial assistance.

8 As set out in the LEAP Report, the OEB has determined that the greater of 0.12% of a distributor’s OEB-
9 approved distribution revenue requirement, or \$2,000, is a reasonable commitment by all distributors to
10 emergency financial assistance. The LEAP amount must be calculated based on total distribution
11 revenues, and is to be recovered from all rate classes based on the respective distribution revenue of
12 each of those rate classes.

13 It is BPI’s understanding that the LEAP financial assistance is an ongoing cost; therefore, BPI has
14 budgeted an amount of \$25,000 (i.e. slightly more than 0.12% of \$20,245,835 the 2017 proposed
15 service revenue requirement) for financial assistance of low income customers. The LEAP amount will be
16 adjusted to account for changes resulting from Board’s Decision on BPI’s 2017 Test Year service revenue
17 requirement. For purposes of this Application, this amount has been included in USoA Account 6205
18 Donations, to ensure that it is captured appropriately in the Revenue Requirement.

19 BPI confirms that the test year does not include any legacy low income energy assistance programs.

1 **4.8.2 Charitable and Political Donations**
2

3 BPI's contribution to the community from the last Board Approved Cost of Service Application is
4 provided in Table 4.8.2-A below. BPI is not requesting recovery of these non Leap donations as such
5 costs are excluded from the revenue requirement calculation.

6 **Table 4.8.2-A: Charitable Donations**

USoA 6205 Donations	2013 Board Approved	2013 Actual	2014 Actual	2015 Actual	2016 Bridge Year	2017 Test Year
LEAP Donations	-	20,406	20,407	20,456	21,000	25,000
Other Donations	-	1,600	2,000	2,150	2,500	2,525
Total	-	22,006	22,407	22,606	23,500	27,525

7
8 **Political Donations**

9 BPI confirms that it does not make political contributions; therefore no political contributions have been
10 included for recovery.

1 4.9 Depreciation, Amortization and Depletion

2 4.9.1 Depreciation, Amortization and Depletion

3

4 Overview

5 On July 17, 2012 the Board issued a statement that changes to depreciation rates and capitalization
6 policies that would have been implemented under IFRS could be made in 2012 under CGAAP (i.e.
7 effective January 1, 2012), and must be made no later than 2013 (i.e. effective January 1, 2013),
8 regardless of whether the Canadian Accounting Standards Board (AcSB) permitted further deferrals
9 beyond 2013 for the changeover to IFRS (Board Letter, July 17, 2013 “Regulatory accounting policy
10 direction regarding changes to depreciation expense and capitalization policies in 2013 and 2014”). In
11 2013, BPI implemented the change to depreciation rates and the componentization of PP&E. These
12 changes were reflected in BPI’s 2013 Board Approved Cost of Service application. Useful lives were
13 guided by the Kinectrics report and an assessment was made of remaining service lives for the purposes
14 of determining the computation of depreciation expense on a go-forward basis. BPI confirms that
15 significant parts or components of each item of PP&E are being depreciated separately. This is discussed
16 in more detail below.

17 BPI’s current depreciation/amortization policy is based on MIFRS, as BPI converted to IFRS January 1,
18 2015. As a result, the depreciation/amortization policy in effect for the 2016 Bridge Year and 2017 Test
19 Year is based on MIFRS.

20 BPI has applied the “half-year” rule for capital additions in accordance with Section 2.7.4 of Chapter 2 of
21 the Filing Requirements for Electricity Distribution Rate Applications.

22 Construction in progress assets are not amortized until the project is complete and in service.

23 BPI’s accounting policy is to capitalize borrowing costs if they meet the IFRS criteria of a qualifying asset
24 which is defined in the Board’s Report of the Board *EB-2008-0408 Transition to International Financial*
25 *Reporting Standards, June 28, 2009* as “an asset that necessarily takes a substantial period of time to get
26 ready for its intended use or sale.” BPI does not have any capitalized borrowing costs forecast in its 2016
27 Bridge or 2017 Test Years.

28 For the purposes of calculating depreciation for this Application the “half-year” rule has been applied for
29 all in-service 2017 Test Year capital additions.

1 A summary of BPI's depreciation by year is provided in Table 4.9-A. Tables 4.9-B through 4.9-F provide a
 2 summary by year for 2013 Actual, 2014 Actual, 2015 Actual, 2016 Bridge Year and 2017 Test Year of
 3 BPI's depreciation expense including asset amounts and rates of depreciation or amortization. These
 4 tables reflect the Accumulated Depreciation balances in the Fixed Asset Continuity Schedules provided
 5 in Exhibit 2 - Rate Base, that are consistent with Board Appendix 2-BA.

6 **Table 4.9-A: Summary of Depreciation/Amortization by Year**

USoA Acct	Description	2013 Board Approved	2013 Actual	2014 Actual	2015 Actual	2016 Bridge Year	2017 Test Year
1611	Computer Software (Formally known as Account 1925)	130,360	111,081	131,660	157,589	202,859	346,697
1612	Land Rights (Formally known as Account 1906)	1,660	1,780	1,864	1,949	2,035	2,035
1808	Buildings	27,340	27,470	27,527	27,605	27,623	27,623
1815	Transformer Station Equipment >50 kV	108,470	97,774	98,201	110,075	113,604	113,604
1820	Distribution Station Equipment <50 kV	5,370	2,703	42,008	205	212	212
1830	Poles, Towers & Fixtures	373,400	415,730	397,105	376,763	386,589	379,398
1835	Overhead Conductors & Devices	222,760	225,373	237,340	248,211	270,530	301,037
1840	Underground Conduit	234,540	239,004	240,713	245,320	247,920	242,273
1845	Underground Conductors & Devices	619,070	647,306	653,017	661,407	675,641	694,513
1850	Line Transformers	435,410	444,685	450,450	477,219	490,264	493,490
1855	Services (Overhead & Underground)	70,270	65,572	71,165	77,531	85,089	94,076
1860	Meters	382,830	299,306	286,896	243,712	239,531	237,566
1860	Meters (Smart Meters)	348,790	-	375,872	371,261	371,730	371,730
1908	Buildings & Fixtures	-	-	-	-	152,660	305,320
1910	Leasehold Improvements	5,400	2,556	9,930	14,201	16,210	6,279
1915	Office Furniture & Equipment (10 years)	740	523	1,431	2,396	2,929	3,169
1920	Computer Equip.-Hardware(Post Mar. 19/07)	42,040	40,269	43,579	34,083	17,775	30,374
1930	Transportation Equipment	121,420	111,200	134,272	153,397	181,301	218,274
1935	Stores Equipment	950	259	493	493	518	518
1940	Tools, Shop & Garage Equipment	14,550	15,492	17,395	19,036	18,863	19,287
1945	Measurement & Testing Equipment	-	-	406	811	812	812
1955	Communications Equipment	-	3,876	9,903	12,053	12,054	12,054
1980	System Supervisor Equipment	33,570	36,319	42,348	52,780	62,512	68,515
1995	Contributions & Grants	(156,870)	(110,566)	(117,804)	(116,376)	(117,508)	(117,508)
2440	Deferred Revenue	-	-	(5,394)	(14,241)	(24,303)	(36,507)
Total		3,022,070	2,677,712	3,150,377	3,157,481	3,437,449	3,814,840
Add:	Depreciation expense adjustment from loss on retirement of assets	-	-	-	-	-	100,000
Less:	Fully Allocated Depreciation:						
	Transportation Equipment	(121,420)	(111,200)	(134,272)	(153,397)	(181,301)	(218,274)
Total Depreciation for Rate Setting Purposes		2,900,650	2,566,512	3,016,105	3,004,084	3,256,148	3,696,567

7

1 **Table 4.9-B: 2013 Actuals – Asset Amount, Accumulated Amortization, Depreciation Amount & Rate of**
 2 **Depreciation – CGAAP**

USoA Acct	Description	Gross Asset	Accumulated Amortization	Depreciation Expense	Depreciation Rate
1611	Computer Software (Formally known as Account 1925)	810,989	(437,352)	111,081	20.0%
1612	Land Rights (Formally known as Account 1906)	94,991	(9,528)	1,780	2.0%
1805	Land	181,961	-	-	0.0%
1808	Buildings	1,163,732	(222,002)	27,470	2%-5%
1815	Transformer Station Equipment >50 kV	3,926,202	(875,262)	97,774	2%-5%
1820	Distribution Station Equipment <50 kV	80,683	(32,728)	2,703	3.3%
1830	Poles, Towers & Fixtures	17,565,231	(6,862,593)	415,730	2.0%
1835	Overhead Conductors & Devices	13,155,208	(4,657,740)	225,373	2.0%
1840	Underground Conduit	14,200,507	(5,566,727)	239,004	2%-3%
1845	Underground Conductors & Devices	19,812,400	(5,514,483)	647,306	3.0%
1850	Line Transformers	18,005,990	(6,811,465)	444,685	3.0%
1855	Services (Overhead & Underground)	1,714,865	(336,318)	65,572	4.0%
1860	Meters	4,241,628	(1,373,605)	299,306	3%-7%
1910	Leasehold Improvements	25,561	(2,556)	2,556	20.0%
1915	Office Furniture & Equipment (10 years)	7,350	(837)	523	10.0%
1920	Computer Equip.-Hardware(Post Mar. 19/07)	148,935	(66,129)	40,269	25.0%
1930	Transportation Equipment	2,927,115	(2,065,168)	111,200	5%-13%
1935	Stores Equipment	5,184	(259)	259	10.0%
1940	Tools, Shop & Garage Equipment	165,838	(89,167)	15,492	10.0%
1955	Communications Equipment	24,209	(8,705)	3,876	20.0%
1980	System Supervisor Equipment	556,597	(160,206)	36,319	6.7%
1995	Contributions & Grants	(5,170,199)	973,635	(110,566)	2%-3%
Total		93,644,973	(34,119,194)	2,677,712	
Less:	Fully Allocated Depreciation:				
	Transportation Equipment			(111,200)	
	Total Depreciation for Rate Setting Purposes			2,566,512	

3

1 **Table 4.9-C: 2014 Actuals – Asset Amount, Accumulated Amortization, Depreciation Amount & Rate of**
 2 **Depreciation – MIFRS**

USoA Acct	Description	Gross Asset	Accumulated Amortization	Depreciation Expense	Depreciation Rate
1611	Computer Software (Formally known as Account 1925)	929,614	(570,051)	131,660	20.0%
1612	Land Rights (Formally known as Account 1906)	99,241	(11,393)	1,864	2.0%
1805	Land	181,961	-	-	0.0%
1808	Buildings	1,167,587	(249,529)	27,527	2%-5%
1815	Transformer Station Equipment >50 kV	3,956,009	(973,464)	98,201	2%-5%
1820	Distribution Station Equipment <50 kV	80,683	(74,736)	42,008	3.3%
1830	Poles, Towers & Fixtures	18,246,510	(7,237,363)	397,105	2.0%
1835	Overhead Conductors & Devices	13,783,451	(4,895,080)	237,340	2.0%
1840	Underground Conduit	14,359,106	(5,807,440)	240,713	2%-3%
1845	Underground Conductors & Devices	20,339,724	(6,167,500)	653,017	3.0%
1850	Line Transformers	18,321,545	(7,247,777)	450,450	3.0%
1855	Services (Overhead & Underground)	1,851,511	(407,482)	71,165	4.0%
1860	Meters	4,360,054	(1,660,501)	286,896	3%-7%
1860	Meters (Smart Meters)	5,371,776	(1,744,444)	375,872	3%-7%
1910	Leasehold Improvements	39,134	(12,486)	9,930	20.0%
1915	Office Furniture & Equipment (10 years)	19,923	(2,268)	1,431	10.0%
1920	Computer Equip.-Hardware(Post Mar. 19/07)	157,638	(109,708)	43,579	25.0%
1930	Transportation Equipment	2,966,473	(2,199,440)	134,272	5%-13%
1935	Stores Equipment	5,184	(752)	493	10.0%
1940	Tools, Shop & Garage Equipment	186,797	(106,562)	17,395	10.0%
1945	Measurement & Testing Equipment	8,114	(406)	406	10.0%
1955	Communications Equipment	45,716	(18,607)	9,903	20.0%
1980	System Supervisor Equipment	703,435	(202,554)	42,348	6.7%
1995	Contributions & Grants	(5,056,929)	1,091,439	(117,804)	2%-3%
2440	Deferred Revenue	(445,206)	5,394	(5,394)	2%-3%
Total		101,679,050	(38,602,709)	3,150,377	
Less:	Fully Allocated Depreciation:				
	Transportation Equipment			(134,272)	
	Total Depreciation for Rate Setting Purposes			3,016,105	

3

1 **Table 4.9-D: 2015 Actuals – Asset Amount, Accumulated Amortization, Depreciation Amount & Rate of**
 2 **Depreciation – MIFRS**

USoA Acct	Description	Gross Asset	Accumulated Amortization	Depreciation Expense	Depreciation Rate
1611	Computer Software (Formally known as Account 1925)	1,042,539	(727,640)	157,589	20.0%
1612	Land Rights (Formally known as Account 1906)	107,716	(13,342)	1,949	2.0%
1805	Land	181,961	-	-	0.0%
1808	Buildings	1,167,587	(277,134)	27,605	2%-5%
1815	Transformer Station Equipment >50 kV	4,638,631	(1,083,539)	110,075	2%-5%
1820	Distribution Station Equipment <50 kV	80,683	(74,941)	205	3.3%
1830	Poles, Towers & Fixtures	18,937,516	(7,597,880)	376,763	2.0%
1835	Overhead Conductors & Devices	14,289,930	(5,143,292)	248,211	2.0%
1840	Underground Conduit	14,672,907	(6,052,759)	245,320	2%-3%
1845	Underground Conductors & Devices	20,859,901	(6,828,907)	661,407	3.0%
1850	Line Transformers	18,741,828	(7,612,285)	477,219	3.0%
1855	Services (Overhead & Underground)	2,033,210	(485,014)	77,531	4.0%
1860	Meters	4,496,620	(2,275,474)	614,973	3%-7%
1860	Meters (Smart Meters)	5,371,776	(1,744,444)	-	3%-7%
1910	Leasehold Improvements	51,184	(26,687)	14,201	20.0%
1915	Office Furniture & Equipment (10 years)	26,657	(4,664)	2,396	10.0%
1920	Computer Equipment - Hardware	-	-	-	25.0%
1920	Computer Equip.-Hardware(Post Mar. 19/07)	167,104	(143,791)	34,083	25.0%
1930	Transportation Equipment	3,366,382	(2,274,178)	153,397	5%-13%
1935	Stores Equipment	5,184	(1,244)	493	10.0%
1940	Tools, Shop & Garage Equipment	211,799	(125,598)	19,036	10.0%
1945	Measurement & Testing Equipment	8,114	(1,217)	811	10.0%
1955	Communications Equipment	45,716	(30,661)	12,053	20.0%
1980	System Supervisor Equipment	874,160	(255,334)	52,780	6.7%
1995	Contributions & Grants	(5,056,929)	1,207,815	(116,376)	2%-3%
2440	Deferred Revenue	(754,016)	19,635	(14,241)	2%-3%
Total		105,568,160	(41,552,576)	3,157,481	
Less:	Fully Allocated Depreciation:				
	Transportation Equipment			(153,397)	
	Total Depreciation for Rate Setting Purposes			3,004,084	

3

1 **Table 4.9-E: 2016 Bridge Year – Asset Amount, Accumulated Amortization, Depreciation Amount &**
 2 **Rate of Depreciation – MIFRS**

USoA Acct	Description	Gross Asset	Accumulated Amortization	Depreciation Expense	Depreciation Rate
1611	Computer Software (Formally known as Account 1925)	1,929,134	(930,499)	202,859	20.0%
1612	Land Rights (Formally known as Account 1906)	107,716	(15,376)	2,035	2.0%
1805	Land	4,681,961	-	-	0.0%
1808	Buildings	1,167,587	(304,757)	27,623	2%-5%
1815	Transformer Station Equipment >50 kV	4,638,631	(1,197,143)	113,604	2%-5%
1820	Distribution Station Equipment <50 kV	80,683	(75,153)	212	3.3%
1830	Poles, Towers & Fixtures	19,124,537	(7,964,469)	386,589	2.0%
1835	Overhead Conductors & Devices	14,928,054	(5,413,822)	270,530	2.0%
1840	Underground Conduit	14,779,295	(6,300,679)	247,920	2%-3%
1845	Underground Conductors & Devices	21,724,322	(7,504,548)	675,641	3.0%
1850	Line Transformers	19,048,488	(7,992,549)	490,264	3.0%
1855	Services (Overhead & Underground)	2,214,987	(570,103)	85,089	4.0%
1860	Meters	4,586,246	(2,886,735)	611,261	3%-7%
1860	Meters (Smart Meters)	5,371,776	(1,744,444)	-	3%-7%
1910	Leasehold Improvements	51,184	(42,897)	16,210	20.0%
1915	Office Furniture & Equipment (10 years)	31,457	(7,593)	2,929	10.0%
1920	Computer Equipment - Hardware	-	-	-	25.0%
1920	Computer Equip.-Hardware(Post Mar. 19/07)	254,304	(161,566)	17,775	25.0%
1930	Transportation Equipment	3,766,382	(2,455,479)	181,301	5%-13%
1935	Stores Equipment	5,184	(1,762)	518	10.0%
1940	Tools, Shop & Garage Equipment	236,799	(144,461)	18,863	10.0%
1945	Measurement & Testing Equipment	8,114	(2,029)	812	10.0%
1955	Communications Equipment	45,716	(42,715)	12,054	20.0%
1980	System Supervisor Equipment	963,497	(317,846)	62,512	6.7%
1995	Contributions & Grants	(5,056,929)	1,325,323	(117,508)	2%-3%
2440	Deferred Revenue	(1,233,016)	43,938	(24,303)	2%-3%
Total		123,706,459	(44,860,025)	3,437,449	
Less:	Fully Allocated Depreciation:				
	Transportation Equipment			(181,301)	
	Total Depreciation for Rate Setting Purposes			3,256,148	

3

Table 4.9-F: 2017 Test Year – Asset Amount, Accumulated Amortization, Depreciation Amount & Rate of Depreciation – MIFRS

USoA Acct	Description	Gross Asset	Accumulated Amortization	Depreciation Expense	Depreciation Rate
1611	Computer Software (Formally known as Account 1925)	2,881,187	(1,277,196)	346,697	20.0%
1612	Land Rights (Formally known as Account 1906)	107,716	(17,411)	2,035	2.0%
1805	Land	4,681,961	-	-	0.0%
1808	Buildings	1,167,587	(332,380)	27,623	2%-5%
1815	Transformer Station Equipment >50 kV	4,638,631	(1,310,748)	113,604	2%-5%
1820	Distribution Station Equipment <50 kV	80,683	(75,365)	212	3.3%
1830	Poles, Towers & Fixtures	19,299,899	(8,323,867)	379,398	2.0%
1835	Overhead Conductors & Devices	15,619,108	(5,714,859)	301,037	2.0%
1840	Underground Conduit	14,870,515	(6,542,951)	242,273	2%-3%
1845	Underground Conductors & Devices	22,955,937	(8,199,061)	694,513	3.0%
1850	Line Transformers	19,373,513	(8,376,039)	493,490	3.0%
1855	Services (Overhead & Underground)	2,482,572	(664,179)	94,076	4.0%
1860	Meters	4,676,754	(3,496,031)	609,296	3%-7%
1860	Meters (Smart Meters)	5,371,776	(1,744,444)	-	3%-7%
1910	Leasehold Improvements	51,184	(49,176)	6,279	20.0%
1915	Office Furniture & Equipment (10 years)	31,457	(10,763)	3,169	10.0%
1920	Computer Equipment - Hardware	-	-	-	25.0%
1920	Computer Equip.-Hardware(Post Mar. 19/07)	290,104	(191,940)	30,374	25.0%
1930	Transportation Equipment	4,191,382	(2,673,753)	218,274	5%-13%
1935	Stores Equipment	5,184	(2,280)	518	10.0%
1940	Tools, Shop & Garage Equipment	261,799	(163,748)	19,287	10.0%
1945	Measurement & Testing Equipment	8,114	(2,841)	812	10.0%
1955	Communications Equipment	45,716	(54,769)	12,054	20.0%
1980	System Supervisor Equipment	1,054,257	(386,361)	68,515	6.7%
1995	Contributions & Grants	(5,056,929)	1,442,831	(117,508)	2%-3%
2440	Deferred Revenue	(1,712,016)	80,445	(36,507)	2%-3%
Total		127,628,441	(48,544,865)	3,814,840	
Add:	Depreciation expense adjustment from loss on retirement of assets			100,000	
Less:	Fully Allocated Depreciation:				
	Transportation Equipment			(218,274)	
	Total Depreciation for Rate Setting Purposes			3,696,567	

Asset and Retirement Obligations

At this time, BPI does not have any Asset Retirement Obligations (“AROs”), associated depreciation or accretion expenses in relation to the AROs to report as part of this Application.

Depreciation Practices - Useful Lives and Componentization

The following outlines the depreciation practices used by BPI in this Application and provides a summary of changes since the last Cost of Service Application.

1 In preparation for the conversion to IFRS, BPI determined the level of property, plant and equipment
2 (PP&E) componentization required under IFRS and establishing updated useful lives referencing the
3 Kinectrics report. BPI determined an appropriate level of componentization on historical assets and an
4 assessment of remaining useful lives that incorporated all material components of historical costs. BPI
5 adjusted the service lives to reflect the assets' useful life for which to calculate Depreciation Expense for
6 2013 forward. BPI has provided its Capitalization/Depreciation Policy in **Attachment 4-E** below.

7 **Accounts**

8 BPI confirms that the useful lives for all asset groups' fall within the range allowed in the Board
9 sponsored Kinectrics study and those significant parts or components of each item of PP&E are being
10 depreciated separately.

11 Under MIFRS, BPI cannot capitalize customer contributions as part of its net capital assets, but instead
12 will classify the contributions as a deferred revenue liability and amortize the costs to revenue over the
13 life of the asset the contribution relates to. For financial reporting purposes, BPI has classified forecasted
14 Customer Contributions for the 2016 Bridge Year and 2017 Test Year as Deferred Revenue and
15 amortized the contribution to revenue over the life of the related asset. For rate setting purposes, these
16 costs are included as an offset to rate base and related amortized revenue as an offset to depreciation
17 expense.

18 BPI confirms that no further depreciation expense policy changes or changes in asset service lives have
19 been made subsequent to those made January 1, 2013, which were reflected in the 2013 Board
20 Approved Cost of Service application.

21 More details on this process and on the conversion to MIFRS are provided in Exhibit 2 –Rate Base, within
22 the "Capitalization Policy" section. Table 4.9-G below, consistent with Board Appendix 2-BB, provides a
23 summary of the life comparison between BPI's selected useful lives and those provided in Table F-1 of
24 the Kinectrics Report. BPI does not have any asset groups which fall outside the Kinectrics range.

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Table 4.9-G: Service Life Comparison – Appendix 2-BB

Appendix 2-BB
Service Life Comparison
Table F-1 from Kinetrics Report¹

Parent*	#	Asset Details		Useful Life			USoA Account Number	USoA Account Description	Current		Proposed		Outside Range of Min, Max TUL?	
				MIN UL	TUL	MAX UL			Years	Rate	Years	Rate	Below Min TUL	Above Max TUL
OH	1	Fully Dressed Wood Poles	Overall	35	45	75	1830	Poles, Towers and Fixtures	45	2%	45	2%	No	No
			Cross Arm	20	40	55								
	2	Fully Dressed Concrete Poles	Overall	50	60	80	1830	Poles, Towers and Fixtures	60	2%	60	2%	No	No
			Cross Arm	30	70	95								
	3	Fully Dressed Steel Poles	Overall	60	60	80	1830	Poles, Towers and Fixtures	60	2%	60	2%	No	No
			Cross Arm	30	70	95								
	4	OH Line Switch	Overall	30	45	55	1835	Overhead Conductors and Devices	45	2%	45	2%	No	No
	5	OH Line Switch Motor	Overall	15	25	25								
	6	OH Line Switch RTU	Overall	15	20	20								
	7	OH Integral Switches	Overall	35	45	60	1835	Overhead Conductors and Devices	45	2%	45	2%	No	No
	8	OH Conductors	Overall	50	60	75	1835	Overhead Conductors and Devices	60	2%	60	2%	No	No
9	OH Transformers & Voltage Regulators	Overall	30	40	60	1850	Line Transformers	40	3%	40	3%	No	No	
10	OH Shunt Capacitor Banks	Overall	25	30	40									
11	Reclosers	Overall	25	40	55	1835	Overhead Conductors and Devices	25	4%	25	4%	No	No	
TS & MS	12	Power Transformers	Overall	30	45	60	1815	Transformer Station Equipment - Normal	45	2%	45	2%	No	No
			Bushing	10	20	30								
			Tap Changer	20	30	60								
	13	Station Service Transformer	Overall	30	45	55	1815	Transformer Station Equipment - Normal	45	2%	45	2%	No	No
	14	Station Grounding Transformer	Overall	30	40	40								
	15	Station DC System	Overall	10	20	30	1815	Transformer Station Equipment - Normal	20	5%	20	5%	No	No
			Battery Bank	10	15	15								
			Charger	20	20	30								
	16	Station Metal Clad Switchgear	Overall	30	40	60	1815	Transformer Station Equipment - Normal	40	3%	40	3%	No	No
			Removable Breaker	25	40	60								
	17	Station Independent Breakers	Overall	35	45	65								
18	Station Switch	Overall	30	50	60	1815	Transformer Station Equipment - Normal	50	2%	50	2%	No	No	
19	Electromechanical Relays	Overall	25	35	50									
20	Solid State Relays	Overall	10	30	45									
21	Digital & Numeric Relays	Overall	15	20	20	1815	Transformer Station Equipment - Normal	20	5%	20	5%	No	No	
22	Rigid Busbars	Overall	30	55	60									
23	Steel Structure	Overall	35	50	90									
UG	24	Primary Paper Insulated Lead Covered (PILC) Cables	Overall	60	65	75								
	25	Primary Ethylene-Propylene Rubber (EPR) Cables	Overall	20	25	25								
	26	Primary Non-Tree Retardant (TR) Cross Linked Polyethylene (XLPE) Cables Direct Buried	Overall	20	25	30								
	27	Primary Non-TR XLPE Cables in Duct	Overall	20	25	30								
	28	Primary Tree Retardant (TR) Cables - Direct Buried	Overall	25	30	35	1845	Underground Conductors and Devices	35	3%	35	3%	No	No
	30	Secondary PILC Cables	Overall	70	75	80								
	31	Secondary Cables Direct Buried	Overall	25	35	40	1845	Underground Conductors and Devices	35	3%	35	3%	No	No
	32	Secondary Cables in Duct	Overall	35	40	60								
	33	Network Transformers	Overall	20	35	50								
			Protector	20	35	40								
	34	Pad-Mounted Transformers	Overall	25	40	45	1850	Line Transformers	40	3%	40	3%	No	No
35	Submersible/Vault Transformers	Overall	25	35	45	1850	Line Transformers	35	3%	35	3%	No	No	
36	UG Foundation	Overall	35	55	70	1840	Underground Conduit	55	2%	55	2%	No	No	
37	UG Vaults	Overall	40	60	80	1840	Underground Conduit	60	2%	60	2%	No	No	
		Roof	20	30	45									
38	UG Vault Switches	Overall	20	35	50	1845	Underground Conductors and Devices	35	3%	35	3%	No	No	
39	Pad-Mounted Switchgear	Overall	20	30	45	1845	Underground Conductors and Devices	30	3%	30	3%	No	No	
40	Ducts	Overall	30	50	85	1840	Underground Conduit	50	2%	50	2%	No	No	
41	Concrete Encased Duct Banks	Overall	35	55	80	1840	Underground Conduit	55	2%	55	2%	No	No	
42	Cable Chambers	Overall	50	60	80	1840	Underground Conduit	60	2%	60	2%	No	No	
S	43	Remote SCADA	Overall	15	20	30	1980	System Supervisory Equipment	15	7%	15	7%	No	No

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Table F-2 from Kinetrics Report¹

#	Asset Details Category Component Type		Useful Life Range		USoA Account Number	USoA Account Description	Current		Proposed		Outside Range of Min, Max TUL?	
							Years	Rate	Years	Rate	Below Min Range	Above Max Range
1	Office Equipment		5	15	1915	Office Furniture and Equipment	10	10%	10	10%	No	No
2	Vehicles	Trucks & Buckets - Small	5	15	1930	Transportation Equipment	10	10%	10	10%	No	No
		Trucks & Buckets - Large	5	15	1930	Transportation Equipment	13	8%	13	8%	No	No
		Trailers	5	20	1930	Transportation Equipment	20	5%	20	5%	No	No
		Vans	5	10	1930	Transportation Equipment	8	13%	8	13%	No	No
3	Administrative Buildings		50	75	1908	Buildings and Fixtures	50	2%	50	2%	No	No
4	Leasehold Improvements		Lease dependent		1910	Leasehold Improvement	5	20%	5	20%	No Guidelines	
5	Station Buildings	Station Buildings	50	75	1808	Buildings and Fixtures	50	2%	50	2%	No	No
		Parking	25	30	1808	Buildings and Fixtures	25	4%	25	4%	No	No
		Fence	25	60	1808	Buildings and Fixtures	25	4%	25	4%	No	No
		Roof	20	30	1808	Buildings and Fixtures	20	5%	20	5%	No	No
6	Computer Equipment	Hardware	3	5	1920	Computer Equipment - Hardware	4	25%	4	25%	No	No
		Software	2	5	1611	Computer Software	5	20%	5	20%	No	No
7	Equipment	Power Operated	5	10								
		Stores	5	10	1935	Stores Equipment	10	10%	10	10%	No	No
		Tools, Shop, Garage Equipment	5	10	1940	Tools, Shop and Garage Equipment	10	10%	10	10%	No	No
		Measurement & Testing Equipment	5	10								
8	Communication	Towers	60	70								
		Wireless	2	10	1955	Communication Equipment	5	20%	5	20%	No	No
9	Residential Energy Meters		25	35								
10	Industrial/Commercial Energy Meters		25	35	1860	Meters	25	4%	25	4%	No	No
11	Wholesale Energy Meters		15	30	1860	Meters	15	7%	15	7%	No	No
12	Current & Potential Transformer (CT & PT)		35	50	1860	Meters	35	3%	35	3%	No	No
13	Smart Meters		5	15	1860	Meters	15	7%	15	7%	No	No
14	Repeaters - Smart Metering		10	15	1860	Meters	15	7%	15	7%	No	No
15	Data Collectors - Smart Metering		15	20	1860	Meters	15	7%	15	7%	No	No

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2 **Depreciation Expense**

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4 In accordance with the Filing Requirements, BPI has completed depreciation and amortization expense
5 tables for the following:

- 6 • 2013 – Revised CGAAP which accounts for the changes to service life changes and
- 7 componentization (Table 4.9-H), consistent with Board Appendix 2-CH
- 8 • 2014 Actuals under MIFRS (Table 4.9-I), consistent with Board Appendix 2-CI
- 9 • 2015 Test Year under MIFRS (Table 4.9-J), consistent with Board Appendix 2-CJ
- 10 • 2016 Bridge Year under MIFRS (Table 4.9-K), consistent with Board Appendix 2-CK
- 11 • 2017 Test Year under MIFRS (Table 4.9-L), consistent with Board Appendix 2-CL

12 BPI does not have any forecasted material differences on the transition to MIFRS from CGAAP, thus, a
13 2014 CGAAP statement was not required.

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Table 4.9-H: Depreciation and Amortization Expense - 2013 Revised CGAAP

**Appendix 2-CH
Depreciation and Amortization Expense**

Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013 and has adopted IFRS for financial reporting purposes effective January 1, 2015.

Account	Description	Year 2013 Revised CGAAP												
		Opening NBV as at Jan 1, 2013 ¹	Additions	Average Remaining Life of Opening NBV ⁴	Years (new additions only) ²	Depreciation Rate on New Additions	Depreciation Expense on Opening NBV	Depreciation Expense on Additions ¹	2013 Depreciation Expense	2013 Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance ²	Depreciation Expense on 2013 Full Year Additions (n) = (d)/(f)	Less Depreciation Expense on Assets Fully Depreciated during the year (o)	2013 Full Year Depreciation ¹
		(a)	(d)	(i)	(f)	(g) = 1 / (f)	(j) = (a) / (i)	(h) = (d) * 0.5 / (f)	(k) = (j) + (h)	(l)	(m) = (k) - (l)	(n) = (d)/(f)	(o)	(p) = (j) + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 309,197	\$ 175,521	3.31	5.00	20.00%	\$ 93,529	\$ 17,552	\$ 111,081	\$ 111,081	\$ 0	\$ 35,104	\$ 5,706	\$ 122,927
1612	Land Rights (Formally known as Account 1906)	\$ 87,242	\$ -	49.01	50.00	2.00%	\$ 1,780	\$ -	\$ 1,780	\$ 1,780	\$ 0	\$ -	\$ -	\$ 1,780
1805	Land	\$ 181,961	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1808	Buildings	\$ 969,200	\$ -	35.28	-	0.00%	\$ 27,470	\$ -	\$ 27,470	\$ 27,470	\$ 0	\$ -	\$ -	\$ 27,470
1810	Leasehold Improvements	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ 3,148,714	\$ -	32.20	-	0.00%	\$ 97,774	\$ -	\$ 97,774	\$ 97,774	\$ -	\$ -	\$ -	\$ 97,774
1820	Distribution Station Equipment <50 kV	\$ 44,402	\$ 6,257	17.08	30.00	3.33%	\$ 2,599	\$ 104	\$ 2,703	\$ 2,703	\$ 0	\$ 209	\$ -	\$ 2,808
1825	Storage Battery Equipment	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 10,538,368	\$ 580,000	26.35	18.31	9.46%	\$ 399,890	\$ 15,840	\$ 415,730	\$ 415,730	\$ 0	\$ 31,680	\$ -	\$ 431,570
1835	Overhead Conductors & Devices	\$ 8,294,241	\$ 428,599	37.71	39.35	2.54%	\$ 219,927	\$ 5,445	\$ 225,372	\$ 225,372	\$ -	\$ 10,891	\$ -	\$ 230,818
1840	Underground Conduit	\$ 8,530,811	\$ 341,974	36.44	34.94	2.86%	\$ 234,111	\$ 4,893	\$ 239,004	\$ 239,004	\$ 0	\$ 9,787	\$ 6,241	\$ 237,657
1845	Underground Conductors & Devices	\$ 14,092,324	\$ 852,899	22.28	29.08	3.44%	\$ 632,640	\$ 14,667	\$ 647,307	\$ 647,306	\$ 1	\$ 29,334	\$ 19,399	\$ 642,575
1850	Line Transformers	\$ 11,020,802	\$ 618,408	25.38	29.64	3.37%	\$ 434,252	\$ 10,433	\$ 444,685	\$ 444,685	\$ 0	\$ 20,867	\$ 10,597	\$ 444,522
1855	Services (Overhead & Underground)	\$ 1,293,039	\$ 151,080	20.67	25.00	4.00%	\$ 62,550	\$ 3,022	\$ 65,572	\$ 65,572	\$ 0	\$ 6,043	\$ -	\$ 69,593
1860	Meters	\$ 2,041,622	\$ 125,707	10.27	22.15	4.51%	\$ 296,166	\$ 2,837	\$ 299,003	\$ 299,306	\$ 303	\$ 5,674	\$ 18,912	\$ 282,938
1860	Meters (Smart Meters)	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 375,872
1905	Land	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1910	Leasehold Improvements	\$ -	\$ 25,561	-	5.00	20.00%	\$ -	\$ 2,556	\$ 2,556	\$ 2,556	\$ 0	\$ 5,112	\$ -	\$ 5,112
1915	Office Furniture & Equipment (10 years)	\$ 2,799	\$ 4,237	9.00	10.00	10.00%	\$ 311	\$ 212	\$ 523	\$ 523	\$ 0	\$ 424	\$ -	\$ 735
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 77,580	\$ 45,405	3.00	2.65	37.78%	\$ 25,860	\$ 8,594	\$ 34,454	\$ 40,260	\$ 5,815	\$ 17,188	\$ -	\$ 43,048
1930	Transportation Equipment	\$ 796,298	\$ 176,849	7.87	8.82	11.34%	\$ 101,172	\$ 10,028	\$ 111,200	\$ 111,200	\$ 0	\$ 20,056	\$ -	\$ 121,228
1935	Stores Equipment	\$ -	\$ 5,184	-	10.00	10.00%	\$ -	\$ 259	\$ 259	\$ 259	\$ 0	\$ 518	\$ -	\$ 518
1940	Tools, Shop & Garage Equipment	\$ 70,317	\$ 21,846	4.88	10.00	10.00%	\$ 14,400	\$ 1,092	\$ 15,492	\$ 15,492	\$ 0	\$ 2,185	\$ 119	\$ 16,466
1945	Measurement & Testing Equipment	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1950	Power Operated Equipment	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1955	Communications Equipment	\$ 19,380	\$ -	5.00	5.00	20.00%	\$ 3,876	\$ -	\$ 3,876	\$ 3,876	\$ 0	\$ -	\$ -	\$ 3,876
1955	Communication Equipment (Smart Meters)	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1970	Load Management Controls - Customer Premises	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1980	System Supervisor Equipment	\$ 371,392	\$ 61,319	10.84	15.00	6.67%	\$ 34,275	\$ 2,044	\$ 36,319	\$ 36,319	\$ 0	\$ 4,088	\$ -	\$ 38,363
1985	Miscellaneous Fixed Assets	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 3,594,055	\$ 713,076	35.38	39.73	2.52%	\$ 101,590	\$ 8,975	\$ 110,565	\$ 110,566	\$ 1	\$ 17,949	\$ -	\$ 119,539
Total		\$ 59,295,634	\$ 2,907,858				\$ 2,580,992	\$ 90,605	\$ 2,671,597	\$ 2,677,712	\$ 6,115	\$ 181,211	\$ 60,974	\$ 3,077,101

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On March 1, 2014, as a result of BPI's 2013 Board approved Cost of Service application, smart meter capital assets were disposed of from Account 1555 – Smart Meter Capital and Recovery Offset Variance Account. BPI has adjusted the smart meter depreciation expense by \$375,872 in Table 4.9-H, Appendix 2-CH, to reflect a full year of depreciation expense on smart meters for 2014 to 2017 Test Year.

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Table 4.9-I: Depreciation and Amortization Expense – 2014 MIFRS

Appendix 2-CI

Depreciation and Amortization Expense

Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013 and has adopted IFRS for financial reporting purposes effective January 1, 2015.

2014 MIFRS

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	2014 Depreciation Expense ¹ (h)=2013 Full Year Depreciation + ((d)*0.5)/(f)	2014 Depreciation Expense per Appendix 2: BA Fixed Assets, Column J (l)	Variance ² (m) = (h) - (l)	Depreciation Expense on 2014 Full Year Additions (n) = ((d))/(f)	Less Depreciation Expense on Assets Fully Depreciated during the year (o)	2014 Full Year Depreciation ³ (p) = 2013 Full Year Depreciation + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 116,662	5.00	20.00%	\$ 134,593	\$ 131,660	\$ 2,933	\$ 23,332	\$ 6	\$ 146,254
1612	Land Rights (Formally known as Account 1906)	\$ 4,250	50.00	2.00%	\$ 1,823	\$ 1,864	-\$ 42	\$ 85	\$ -	\$ 1,865
1805	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1808	Buildings	\$ 3,855	25.03	3.99%	\$ 27,547	\$ 27,527	\$ 20	\$ 154	\$ -	\$ 27,624
1810	Leasehold Improvements	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ 29,806	45.02	2.22%	\$ 98,105	\$ 98,201	-\$ 96	\$ 662	\$ -	\$ 98,436
1820	Distribution Station Equipment <50 kV	\$ -	-	0.00%	\$ 2,808	\$ 42,008	-\$ 39,201	\$ -	\$ 41,803	-\$ 38,996
1825	Storage Battery Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 712,831	47.33	2.11%	\$ 439,101	\$ 397,105	\$ 41,996	\$ 15,061	\$ 43,703	\$ 402,928
1835	Overhead Conductors & Devices	\$ 628,243	46.20	2.16%	\$ 237,616	\$ 237,340	\$ 276	\$ 13,597	\$ -	\$ 244,415
1840	Underground Conduit	\$ 158,599	31.31	3.19%	\$ 240,189	\$ 240,713	-\$ 524	\$ 5,065	\$ 17	\$ 242,705
1845	Underground Conductors & Devices	\$ 527,324	24.44	4.09%	\$ 653,361	\$ 653,017	\$ 344	\$ 21,572	\$ 9,073	\$ 655,074
1850	Line Transformers	\$ 339,251	19.93	5.02%	\$ 453,035	\$ 450,450	\$ 2,584	\$ 17,026	\$ -	\$ 461,548
1855	Services (Overhead & Underground)	\$ 136,646	25.00	4.00%	\$ 71,326	\$ 71,165	\$ 162	\$ 5,466	\$ -	\$ 74,059
1860	Meters	\$ 118,426	12.12	8.25%	\$ 287,812	\$ 286,896	\$ 916	\$ 9,767	\$ 45,019	\$ 247,676
1860	Meters (Smart Meters)	\$ -	-	0.00%	\$ 375,872	\$ 375,872	\$ 0	\$ -	\$ -	\$ 375,872
1905	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1910	Leasehold Improvements	\$ 13,573	3.00	33.33%	\$ 7,374	\$ 9,930	-\$ 2,556	\$ 4,524	\$ -	\$ 9,637
1915	Office Furniture & Equipment (10 years)	\$ 12,573	10.00	10.00%	\$ 1,363	\$ 1,431	-\$ 67	\$ 1,257	\$ -	\$ 1,992
1915	Office Furniture & Equipment (5 years)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 8,704	4.00	25.00%	\$ 44,136	\$ 43,579	\$ 558	\$ 2,176	\$ 11,629	\$ 33,595
1930	Transportation Equipment	\$ 118,017	8.17	12.24%	\$ 128,452	\$ 134,272	-\$ 5,819	\$ 14,448	\$ -	\$ 135,676
1935	Stores Equipment	\$ -	-	0.00%	\$ 518	\$ 493	\$ 26	\$ -	\$ -	\$ 518
1940	Tools, Shop & Garage Equipment	\$ 20,959	10.00	10.00%	\$ 17,514	\$ 17,395	\$ 119	\$ 2,096	\$ -	\$ 18,562
1945	Measurement & Testing Equipment	\$ 8,114	10.00	10.00%	\$ 406	\$ 406	\$ 0	\$ 811	\$ -	\$ 811
1950	Power Operated Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1955	Communications Equipment	\$ 21,508	5.00	20.00%	\$ 6,027	\$ 9,903	-\$ 3,876	\$ 4,302	\$ 660	\$ 7,518
1955	Communication Equipment (Smart Meters)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1970	Load Management Controls - Customer Premises	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1980	System Supervisor Equipment	\$ 146,837	15.00	6.67%	\$ 43,257	\$ 42,348	\$ 909	\$ 9,789	\$ -	\$ 48,152
1985	Miscellaneous Fixed Assets	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 331,936	40.35	2.48%	\$ 123,652	\$ 123,198	-\$ 454	\$ 8,226	\$ -	-\$ 127,766
Total		\$ 2,794,244			\$ 3,148,583	\$ 3,150,377	-\$ 1,794	\$ 142,965	\$ 151,910	\$ 3,068,155
Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets)										
Total Depreciation Expense					\$ 3,029,008					

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Table 4.9-J: Depreciation and Amortization Expense – 2015 MIFRS

Appendix 2-CJ

Depreciation and Amortization Expense

Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013 and has adopted IFRS for financial reporting purposes effective January 1, 2015.

2015 MIFRS

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	2015 Depreciation Expense ¹ (h)=2014 Full Year Depreciation + ((d)-(f))/1	2015 Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ² (m) = (h) - (l)	Depreciation Expense on 2015 Full Year Additions (n)=(d)/(f)	Less Depreciation Expense on Assets Fully Depreciated during the year (o)	2015 Full Year Depreciation ³ (p) = 2014 Full Year Depreciation + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 112,925	5.00	20.00%	\$ 157,546	\$ 157,589	\$ 43	\$ 22,585	\$ 47,789	\$ 121,050
1612	Land Rights (Formally known as Account 1906)	\$ 8,475	50.00	2.00%	\$ 1,950	\$ 1,949	\$ 1	\$ 170	\$ -	\$ 2,035
1805	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1808	Buildings	\$ -	-	0.00%	\$ 27,624	\$ 27,605	\$ 19	\$ -	\$ -	\$ 27,624
1810	Leasehold Improvements	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ 682,622	30.00	3.33%	\$ 109,813	\$ 110,075	\$ 262	\$ 22,754	\$ -	\$ 121,190
1820	Distribution Station Equipment <50 kV	\$ -	-	0.00%	\$ 38,996	\$ 205	\$ 39,201	\$ -	\$ -	\$ 38,996
1825	Storage Battery Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 716,189	43.19	2.32%	\$ 411,219	\$ 376,763	\$ 34,457	\$ 16,582	\$ -	\$ 419,510
1835	Overhead Conductors & Devices	\$ 506,479	57.51	1.74%	\$ 248,818	\$ 248,211	\$ 607	\$ 8,807	\$ -	\$ 253,222
1840	Underground Conduit	\$ 313,801	56.13	1.78%	\$ 245,500	\$ 245,320	\$ 181	\$ 5,591	\$ 6,581	\$ 241,715
1845	Underground Conductors & Devices	\$ 520,177	32.32	3.09%	\$ 663,121	\$ 661,407	\$ 1,714	\$ 16,095	\$ 5,948	\$ 665,221
1850	Line Transformers	\$ 617,302	37.69	2.65%	\$ 469,737	\$ 477,219	\$ 7,482	\$ 16,378	\$ -	\$ 477,926
1855	Services (Overhead & Underground)	\$ 181,689	25.00	4.00%	\$ 77,693	\$ 77,531	\$ 162	\$ 7,268	\$ -	\$ 81,327
1860	Meters	\$ 136,566	20.53	4.87%	\$ 251,002	\$ 243,712	\$ 7,290	\$ 6,652	\$ 7,417	\$ 246,912
1860	Meters (Smart Meters)	\$ -	-	0.00%	\$ 375,872	\$ 371,261	\$ 4,611	\$ -	\$ -	\$ 375,872
1905	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1910	Leasehold Improvements	\$ 12,050	3.00	33.33%	\$ 11,645	\$ 14,201	\$ 2,556	\$ 4,017	\$ -	\$ 13,653
1915	Office Furniture & Equipment (10 years)	\$ 6,733	10.00	10.00%	\$ 2,329	\$ 2,396	\$ 67	\$ 673	\$ -	\$ 2,665
1915	Office Furniture & Equipment (5 years)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 9,465	4.00	25.00%	\$ 34,779	\$ 34,083	\$ 696	\$ 2,366	\$ 25,860	\$ 10,102
1930	Transportation Equipment	\$ 399,909	12.64	7.91%	\$ 151,496	\$ 153,397	\$ 1,901	\$ 31,638	\$ 8,678	\$ 158,637
1935	Stores Equipment	\$ -	-	0.00%	\$ 518	\$ 493	\$ 26	\$ -	\$ -	\$ 518
1940	Tools, Shop & Garage Equipment	\$ 25,002	10.00	10.00%	\$ 19,812	\$ 19,036	\$ 776	\$ 2,500	\$ 2,775	\$ 18,287
1945	Measurement & Testing Equipment	\$ -	-	0.00%	\$ 811	\$ 811	\$ 0	\$ -	\$ -	\$ 811
1950	Power Operated Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1955	Communications Equipment	\$ -	-	0.00%	\$ 7,518	\$ 12,053	\$ 4,536	\$ -	\$ -	\$ 7,518
1955	Communication Equipment (Smart Meters)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1970	Load Management Controls - Customer Premises	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1980	System Supervisor Equipment	\$ 170,726	15.00	6.67%	\$ 53,843	\$ 52,780	\$ 1,063	\$ 11,382	\$ -	\$ 59,534
1985	Miscellaneous Fixed Assets	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 308,811	39.79	2.51%	\$ 131,646	\$ 130,617	\$ 1,030	\$ 7,762	\$ -	\$ 135,527
	Total	\$ 4,111,311			\$ 3,152,004	\$ 3,157,481	\$ 5,477	\$ 167,696	\$ 105,047	\$ 3,130,805

Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets)

Total Depreciation expense to be included in the test year revenue requirement

\$ 3,152,004

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Table 4.9-K: Depreciation and Amortization Expense – 2016 MIFRS

Appendix 2-CK

Depreciation and Amortization Expense

Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013 and has adopted IFRS for financial reporting purposes effective January 1, 2015.

2016 MIFRS

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	2015 Depreciation Expense ¹ (h)=2014 Full Year Depreciation + ((d)*0.5)/(f)	2015 Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ² (m) = (h) - (l)	Depreciation Expense on 2015 Full Year Additions (n)=(d)/(f)	Less Depreciation Expense on Assets Fully Depreciated during the year (o)	2016 Year Depreciation (p) = 2015 Full Year Depreciation + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 886,595	5.00	20.00%	\$ 209,709	\$ 202,859	\$ 6,850	\$ 177,319	\$ 39,427	\$ 258,942
1612	Land Rights (Formally known as Account 1906)	\$ -	-	0.00%	\$ 2,035	\$ 2,035	\$ 0	\$ -	\$ -	\$ 2,035
1805	Land	\$ 4,500,000	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1808	Buildings	\$ -	-	0.00%	\$ 27,624	\$ 27,623	\$ 1	\$ -	\$ -	\$ 27,624
1810	Leasehold Improvements	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	-	0.00%	\$ 121,190	\$ 113,604	\$ 7,586	\$ -	\$ -	\$ 121,190
1820	Distribution Station Equipment <50 kV	\$ -	-	0.00%	\$ 38,996	\$ 212	\$ 39,208	\$ -	\$ -	\$ 38,996
1825	Storage Battery Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 217,021	27.04	3.70%	\$ 423,523	\$ 386,589	\$ 36,934	\$ 8,026	\$ 16,786	\$ 410,751
1835	Overhead Conductors & Devices	\$ 638,124	19.18	5.21%	\$ 269,856	\$ 270,530	\$ 674	\$ 33,270	\$ 2,777	\$ 283,714
1840	Underground Conduit	\$ 106,388	50.06	2.00%	\$ 242,777	\$ 247,920	\$ 5,142	\$ 2,125	\$ 2,554	\$ 241,286
1845	Underground Conductors & Devices	\$ 864,422	34.42	2.91%	\$ 677,778	\$ 675,641	\$ 2,137	\$ 25,114	\$ 18,447	\$ 671,888
1850	Line Transformers	\$ 506,661	39.51	2.53%	\$ 484,338	\$ 490,264	\$ 5,926	\$ 12,824	\$ 4,858	\$ 485,891
1855	Services (Overhead & Underground)	\$ 181,777	25.00	4.00%	\$ 84,963	\$ 85,089	\$ 126	\$ 7,271	\$ -	\$ 88,598
1860	Meters	\$ 89,626	31.00	3.23%	\$ 248,357	\$ 239,531	\$ 8,826	\$ 2,891	\$ -	\$ 249,803
1860	Meters (Smart Meters)	\$ -	-	0.00%	\$ 375,872	\$ 371,730	\$ 4,142	\$ -	\$ -	\$ 375,872
1905	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 10,250,349	33.57	2.98%	\$ 152,660	\$ 152,660	\$ 0	\$ 305,320	\$ -	\$ 305,320
1910	Leasehold Improvements	\$ -	-	0.00%	\$ 13,653	\$ 16,210	\$ 2,556	\$ -	\$ 7,668	\$ 5,985
1915	Office Furniture & Equipment (10 years)	\$ 4,800	10.00	10.00%	\$ 2,905	\$ 2,929	\$ 24	\$ 480	\$ -	\$ 3,145
1915	Office Furniture & Equipment (5 years)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 87,200	4.00	25.00%	\$ 21,002	\$ 17,775	\$ 3,226	\$ 21,800	\$ -	\$ 31,902
1930	Transportation Equipment	\$ 400,000	9.75	10.26%	\$ 179,150	\$ 181,301	\$ 2,151	\$ 41,026	\$ -	\$ 199,663
1935	Stores Equipment	\$ -	-	0.00%	\$ 518	\$ 518	\$ 0	\$ -	\$ -	\$ 518
1940	Tools, Shop & Garage Equipment	\$ 25,000	10.00	10.00%	\$ 19,537	\$ 18,863	\$ 674	\$ 2,500	\$ 2,063	\$ 18,724
1945	Measurement & Testing Equipment	\$ -	-	0.00%	\$ 811	\$ 812	\$ 1	\$ -	\$ -	\$ 811
1950	Power Operated Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1955	Communications Equipment	\$ -	-	0.00%	\$ 7,518	\$ 12,054	\$ 4,536	\$ -	\$ -	\$ 7,518
1955	Communication Equipment (Smart Meters)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1970	Load Management Controls - Customer Premises	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1980	System Supervisor Equipment	\$ 89,337	15.00	6.67%	\$ 62,512	\$ 62,512	\$ 0	\$ 5,956	\$ -	\$ 65,490
1985	Miscellaneous Fixed Assets	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 479,000	39.25	2.55%	\$ 141,629	\$ 141,811	\$ 182	\$ 12,204	\$ 6,102	\$ 141,629
Total		\$ 18,368,298			\$ 3,447,664	\$ 3,437,450	\$ 10,214	\$ 633,717	\$ 88,478	\$ 3,676,045
	Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets)									
	Total Depreciation expense to be included in the test year revenue requirement				\$ 3,447,664					

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**Table 4.9-L: Depreciation and Amortization Expense – 2017 MIFRS
Appendix 2-CL**

Depreciation and Amortization Expense

Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013 and has adopted IFRS for financial reporting purposes effective January 1, 2015.

2017 MIFRS

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	2017 Depreciation Expense ¹ (h)=2016 Full Year Depreciation + ((d)*0.5)/(f)	2017 Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (I)	Variance ² (m) = (h) - (I)
1611	Computer Software (Formally known as Account 1925)	952,053	5.00	20.00%	\$ 354,147	\$ 346,697	\$ 7,450
1612	Land Rights (Formally known as Account 1906)	-	-	0.00%	\$ 2,035	\$ 2,035	\$ 0
1805	Land	-	-	0.00%	\$ -	\$ -	\$ -
1808	Buildings	-	-	0.00%	\$ 27,624	\$ 27,623	\$ 1
1810	Leasehold Improvements	-	-	0.00%	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	-	-	0.00%	\$ 121,190	\$ 113,604	\$ 7,586
1820	Distribution Station Equipment <50 kV	-	-	0.00%	\$ 38,996	\$ 212	\$ 39,208
1825	Storage Battery Equipment	-	-	0.00%	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	205,362	26.67	3.75%	\$ 414,601	\$ 379,398	\$ 35,203
1835	Overhead Conductors & Devices	691,054	19.18	5.21%	\$ 301,729	\$ 301,037	\$ 692
1840	Underground Conduit	91,220	50.06	2.00%	\$ 242,197	\$ 242,273	\$ 76
1845	Underground Conductors & Devices	1,231,615	34.43	2.90%	\$ 689,771	\$ 694,513	\$ 4,742
1850	Line Transformers	525,025	39.52	2.53%	\$ 492,534	\$ 493,490	\$ 957
1855	Services (Overhead & Underground)	267,585	25.00	4.00%	\$ 93,950	\$ 94,076	\$ 126
1860	Meters	90,508	30.18	3.31%	\$ 251,302	\$ 237,566	\$ 13,737
1860	Meters (Smart Meters)	-	-	0.00%	\$ 375,872	\$ 371,730	\$ 4,142
1905	Land	-	-	0.00%	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	-	-	0.00%	\$ 305,320	\$ 305,320	\$ 0
1910	Leasehold Improvements	-	-	0.00%	\$ 5,985	\$ 6,279	\$ 294
1915	Office Furniture & Equipment (10 years)	-	-	0.00%	\$ 3,145	\$ 3,169	\$ 24
1915	Office Furniture & Equipment (5 years)	-	-	0.00%	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	-	-	0.00%	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	-	-	0.00%	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	35,800	4.00	25.00%	\$ 36,377	\$ 30,374	\$ 6,002
1930	Transportation Equipment	425,000	9.70	10.31%	\$ 221,577	\$ 218,274	\$ 3,303
1935	Stores Equipment	-	-	0.00%	\$ 518	\$ 518	\$ 0
1940	Tools, Shop & Garage Equipment	25,000	10.00	10.00%	\$ 19,974	\$ 19,287	\$ 687
1945	Measurement & Testing Equipment	-	-	0.00%	\$ 811	\$ 812	\$ 1
1950	Power Operated Equipment	-	-	0.00%	\$ -	\$ -	\$ -
1955	Communications Equipment	-	-	0.00%	\$ 7,518	\$ 12,054	\$ 4,536
1955	Communication Equipment (Smart Meters)	-	-	0.00%	\$ -	\$ -	\$ -
1960	Miscellaneous Equipment	-	-	0.00%	\$ -	\$ -	\$ -
1970	Load Management Controls - Customer Premises	-	-	0.00%	\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises	-	-	0.00%	\$ -	\$ -	\$ -
1980	System Supervisor Equipment	90,760	15.00	6.67%	\$ 68,515	\$ 68,515	\$ 0
1985	Miscellaneous Fixed Assets	-	-	0.00%	\$ -	\$ -	\$ -
1990	Other Tangible Property	-	-	0.00%	\$ -	\$ -	\$ -
1995	Contributions & Grants	(479,000)	39.79	2.51%	\$ 147,649	\$ 154,015	\$ 6,366
Total		\$ 4,151,982			\$ 3,850,048	\$ 3,814,841	\$ 35,207
	Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets)				\$ 100,000		
	Total Depreciation expense to be included in the test year revenue requirement				\$ 3,950,048		

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4.10 Taxes or Payments in Lieu of Taxes and Property Taxes, Non-Recoverable and Disallowed Expenses, Integrity Checks

4.10.1 Taxes or Payments in Lieu of Taxes (PILs) and Property Taxes

PILS and Capital Taxes

BPI makes payments in lieu (PILs) of corporate taxes calculated in accordance with the rules for computing taxable income, taxable capital and other relevant amounts contained in the *Income Tax Act* (Canada) and the *Corporations Tax Act* (Ontario), as modified by the *Electricity Act, 1998*, and related regulations. BPI does not pay Section 89 proxy taxes, and is exempt from the payment of income taxes under the *Income Tax Act* (Canada) and the *Corporations Tax Act* (Ontario). BPI is projecting a profit for tax purposes in the 2017 Test Year of \$1,935,466, therefore has included \$697,821 for the recovery of PILs in this Application.

Table 4.10.1-A below provides a summary of the 2013 Board Approved, the 2013, 2014 and 2015 Actual as recorded in the audited statements and the 2016 Bridge Year and 2017 Test Year PIL's estimates. These estimates are based on the rates prescribed by the Board in the Board's Income Tax/PILS Workform for 2016 Filers as provided in **Attachment 4-F**. BPI's filed 2014 tax return and draft 2015 tax return have been provided in **Attachment 4-G**. BPI does not expect significant changes between the draft 2015 tax return and the final 2015 tax return that will be filed. In accordance with the 2016 Filing Requirements the Board's PILS Model has also been completed and submitted and is consistent with the PILs included in the 2017 revenue requirement.

BPI's tax returns are prepared on the basis of its Audited Financial Statements, which are included as Attachments 1-D and 1-E to Exhibit 1.

Table 4.10.1-A: Income Tax Summary

Current PILS	2013 Board Approved	2013 Actual	2014 Actual	2015 Actual	2016 Bridge	2017 Test
Current PILS	589,927	(186,959)	(148,808)	263,594	96,264	697,821

BPI was approved for PILs in the amount of \$589,927 in its 2013 Cost of Service Application. The actuals PILs for 2013 were lower than the amount approved due to the lower income for tax purposes and the impact of regulatory reserve which are excluded from the calculations of PILs for regulatory purposes but included in the calculation for tax purposes. PILs for the 2017 Test Year of \$512,898 are \$416,635

1 higher than the 2016 Bridge Year. This increase is due to the proposed increase in this Application in the
 2 Deemed Return on Equity.

3

4 **Loss Carry Forwards**

5 BPI does not have any loss carry forwards for regulatory purposes. The loss carry forward balance
 6 included on Schedule 4 of BPI's federal tax return is a result of actual adjustments for regulatory assets
 7 and liabilities made to taxable income during 2014. The adjustments for regulatory assets and liabilities
 8 are excluded from the PILs calculation, as prescribed by the OEB.

9 **Other Additions and Deductions**

10 In accordance with the Filing Requirements, BPI has excluded the deferral and variance accounts for
 11 Regulatory Assets and Liabilities from the reserve balances for the 2016 Bridge Year and 2017 Test Year.

12 In the PILs model, BPI has excluded the reserve for goods and services not delivered on Schedule 13 Tax
 13 Reserves, for the 2015 historical, 2016 Bridge Year and 2017 Test Year. There is a zero effect on net
 14 income for tax purposes, as BPI's tax reserve is included in BPI's financial statements, as indicated on
 15 Schedule 13 of the draft 2015 tax return. These reserves have been included in the reconciliations below
 16 in Table 4.10.2-A, to illustrate comparatively with historical years.

17 **Tax Credits**

18 BPI takes advantage of the tax credits where available to minimize taxes payable. Table 4.10.1-B below
 19 summarizes the tax credits for 2013 Board Approved, Historical Years 2013-2015, the 2016 Bridge Year
 20 and the 2017 Test Year. The tax credits include the Ontario Apprenticeship Training Tax Credit. BPI has
 21 forecasted two apprentices eligible for a partial year's credit for the 2016 Bridge year, based on current
 22 apprentices employed by BPI, totaling \$16,063. BPI has not forecasted tax credits for the 2017 Test Year
 23 as BPI expects to hire Linespersons and not apprentices.

24

Table 4.10.1-B: Tax Credits

Item	2013 Board Approved	2013 Actual	2014 Actual	2015 Actual	2016 Bridge	2017 Test
Ontario Apprenticeship Tax Credits	-	-	-	20,000	16,063	-

25

26 **Post Retirement Benefit Expense**

1 See Table 4.10.1-C below for a reconciliation between the Post Retirement Benefit Expense included in
 2 the Compensation Section 4.4 above, and the net adjustment included in the Board’s PILS model, under
 3 Schedule 13 - Tax Reserves. The difference represents benefits paid by BPI throughout the year.

Table 4.10.1-C: Post Retirement Benefit Expense Reconciliation

Item	2015 Actual	2016 Bridge	2017 Test
Post Retirement Benefit Expense, per Compensation Section	114,882	119,082	120,272
Less: Benefits paid during the year	(52,222)	(55,147)	(55,698)
Change in Benefit Liability Account, included on Tax Return	62,660	63,935	64,574

2016 Federal Budget Changes

The Honourable Bill Morneau, Federal Minister of Finance, tabled the 2016 Federal Government Budget on March 22, 2016. Among the measures introduced, the 2016 Budget proposes to eliminate the Eligible Capital Property (ECP) regime and to replace it with a new Capital Cost Allowance (CCA) class.

Current Regime

Currently, capital expenditures may qualify as ECP where they are incurred in respect of intangible property for the purpose of earning income from a business and are not deductible as a current expense or incurred to acquire an intangible property that is currently depreciable under the CCA rules. Under the ECP regime, 75% of an eligible capital expenditure is added to the taxpayer’s cumulative eligible capital (CEC) pool in respect of the business and is deductible at a rate of 7% per year on a declining-balance basis.

Proposed Rules

The 2016 Budget proposes to create a new class of depreciable property. Expenditures of the type currently added to the CEC pool at a 75% inclusion rate will instead be added to a new CCA Class 14.1 pool at a 100% inclusion. The rate of depreciation of a Class 14.1 pool will be five per cent on a declining-balance basis. The existing CCA rules will generally apply, including rules relating to recapture and the so-called “half-year” rule.

Transitional Rules

The 2016 Budget proposes transitional rules to transfer a taxpayer’s CEC balance as of January 1, 2017 to the new Class 14.1 pool. For the first 10 years thereafter, the depreciation rate for the new CCA class will be 7% in respect of expenditures incurred before January 1, 2017. BPI currently forecasts a January 1, 2017 CEC pool balance of \$750,324.

1 Certain qualifying receipts that are received after the implementation of the proposed rules that relate
2 to property acquired, or expenditures otherwise made, before the implementation time will reduce the
3 balance of the new CCA class by an amount equal to 75% of such receipt. However, the total amount of
4 such qualifying receipts that may be deducted at the reduced rate would be limited to the total amount
5 that could have been received by a taxpayer prior to triggering the ECP gain under the ECP regime. This
6 rule ensures that receipts do not result in excess recapture when applied to reduce the balance of the
7 new CCA class.

8 BPI Application Treatment

9 As these proposed measures have not yet been enacted, BPI's Application and related PILs calculations
10 reflect the continuation of the current CEC treatment. As it is expected these changes will be enacted
11 later in 2016 as part of the approval of the 2016 Budget, BPI intends to update the PILs calculation to
12 reflect the revised treatment of ECP prior to finalizing PILs for the 2017 Test Year.

4.10.2 Non-recoverable and Disallowed Expenses

BPI has not included donations, other than LEAP in the calculation of revenue requirement. BPI does not have any additional expenses that are deductible for general tax purposes, but for which recovery in 2017 distribution rates would be partially or fully disallowed.

Detailed Tax Calculations

Table 4.10.2-A below summarizes the tax calculations for 2013 Board Approved, Historical Years 2013-2015, 2016 Bridge Year and 2017 Test Year. The table itemizes all additions and deductions that are part of BPI's tax calculations.

For the 2017 Test Year, BPI has included the loss on disposal of pooled assets of \$100,000 in amortization expense and amortization of deferred revenue relating to capital contributions of \$36,507 in amortization expense, consistent with the treatment for regulatory purposes.

Table 4.10.2-A: Tax Calculations

Details	2013 Board Approved	2013 Actual	2014 Actual	2015 Actual	2016 Bridge	2017 Test
Net Income Before Taxes	3,310,433	1,583,800	2,639,897	3,371,810	1,514,475	3,250,685
Additions:						
Amortization of tangible assets	3,022,070	2,893,196	3,150,377	3,171,722	3,437,449	3,914,839
Tax reserves deducted in prior year	1,860,150	1,860,225	1,470,152	1,455,091	1,606,069	1,453,370
Reserves from financial statements	2,983,258	4,781,385	4,544,466	3,686,730	3,580,118	3,631,314
Charitable donations	1,300	2,600	-	-	-	-
Meals & entertainment	6,566	9,753	10,435	7,696	10,810	10,874
Loss on disposal of assets	-	-	-	70,246	85,000	-
Regulatory assets - end of year	-	5,961,785	1,080,944	1,606,408	-	-
Capital tax expensed	-	35,147	-	-	-	-
Change in Employee Future Benefits - IFRS transition	-	-	-	926,001	-	-
Total Additions	7,873,344	15,544,091	10,256,374	10,923,894	8,719,446	9,010,397
Deductions:						
Capital cost allowance from schedule 8	(4,188,432)	(4,195,741)	(4,034,248)	(3,938,254)	(4,613,469)	(5,239,135)
Cumulative eligible capital from schedule 10	(45,009)	(45,009)	(50,946)	(60,727)	(56,476)	(52,523)
Tax reserves end of year	(1,625,000)	(1,470,152)	(1,455,091)	(1,606,069)	(1,453,370)	(1,438,840)
Reserves from financial statements	(2,924,763)	(4,895,419)	(4,781,385)	(4,544,466)	(3,686,730)	(3,580,118)
Regulatory assets - prior year	-	(6,880,490)	(5,961,785)	(1,080,944)	-	-
Gain on disposal of assets	-	(12,687)	(17,252)	-	-	(15,000)
Amortization of deferred revenue	-	-	-	(14,241)	-	-
Non-taxable OCI	-	-	(26,347)	(23,312)	-	-
Total Deductions	(8,783,204)	(17,499,498)	(16,327,054)	(11,268,012)	(9,810,045)	(10,325,616)
Taxable Income	2,400,573	(371,607)	(3,430,783)	3,027,692	423,876	1,935,466
Tax Rate	24.57%	26.50%	26.50%	26.50%	26.50%	26.50%
Income Taxes	589,927	-	-	802,338	112,327	512,898
Tax Credits	-	-	-	(20,000)	(16,063)	-
Tax recovery from non-capital losses carried forward	-	-	-	(802,338)	-	-
Total Income Taxes	589,927	-	-	(20,000)	96,264	512,898

1 **Property Taxes**

2 BPI pays property taxes to the City of Brantford through its Shared Services Agreement. The property
 3 taxes allocated to BPI is included in the market rent charged per square footage, for two of the three
 4 leased properties, 84 Market Street and 220 Colborne Street. BPI is charged separately for property
 5 taxes on its third leased property, 400 Grand River Ave. As described in Exhibit 2, BPI intends to
 6 purchase a building in 2016 and therefore has included property tax expense in the 2016 Bridge Year
 7 and 2017 Test Year forecasts, relating to the new property. BPI forecasted the 2016 and 2017 property
 8 taxes based on the actual property tax expense for the first 8 months of 2015, obtained from the current
 9 property owner. A large portion of the property tax expense has been allocated to Account 4380 – Non-
 10 utility expense, as part of the operating costs described in Exhibit 2. Property taxes for the 2013 Board
 11 Approved, Historical years 2013-2015, 2016 Bridge Year and 2017 Test year are provided in Table 4.10.2-
 12 B below.

13

Table 4.10.2-B Property Taxes

14

Item	2013 Board Approved	2013 Actual	2014 Actual	2015 Actual	2016 Bridge	2017 Test
400 Grand River Ave - Leased property	63,143	63,143	62,248	61,783	62,000	-
New Building - Total Property Taxes	-	-	-	-	83,160	339,293
Property Taxes excluded from revenue requirement	-	-	-	-	(53,688)	(219,045)
Total Property Taxes	63,143	63,143	62,248	61,783	91,472	120,247

1 **4.10.3 Integrity Checks**
2

3 BPI has completed the integrity checks for the following information as detailed in the filing
4 requirements.

- 5 • The depreciation and amortization added back in the PILs model agree with the numbers
6 disclosed in the Rate Base section of the application.
- 7 • The capital additions and deductions in the UCC/CCA schedule 8 agree with the Rate Base
8 section for historic, bridge and test years. The difference in additions in the 2016 Bridge Year of
9 \$4,500,000 relates to non-depreciable land, which is excluded from schedule 8.
- 10 • Schedule 8 of the most recent federal T2 tax return prepared (in draft form) for the year ended
11 December 31, 2015 agrees with the opening 2016 Bridge Year UCC. BPI confirms that non-
12 distribution tax amounts on Schedule 8 were \$0 on the December 31, 2015 tax return.
- 13 • The CCA deductions in the PILs tax model for historic, bridge and test years agree with the
14 numbers in the UCC schedules for the same years filed in the application.
- 15 • BPI does not have any loss carry-forwards for regulatory purposes. The loss carry forwards from
16 the tax return are as a result of adjustments made for regulatory assets and liabilities to taxable
17 income.
- 18 • CCA is maximized since BPI does not have any loss carry-forwards.
- 19 • Post-retirement obligations added back on Schedule 1, the reconciliation of accounting income
20 to net income for tax purposes, reconcile with the amounts provided in the OM&A analysis for
21 2017 Revenue Requirement compensation. See Table 4.9-C above for reconciliation.

22 The income tax rate used to calculate the tax expense is consistent with the BPI's actual tax facts and
23 the evidence filed in the application.

1 **4.11 Conservation and Demand Management**

2 **4.11.1 Lost Revenue Adjustment Mechanism (“LRAM”)**

3

4 On March 31, 2011, the Minister of Energy and Infrastructure issued a directive (the “Directive”) to the
5 Board regarding electricity CDM targets to be met by licensed electricity distributors. The Directive
6 required that the Board amend the licenses of distributors to add, as a condition of license, the
7 requirement for distributors to achieve reductions in electricity demand through the delivery of CDM
8 programs over a four-year period beginning January 1, 2011. Section 12 of the Directive required that
9 the Board have regard to the objective that lost revenues that result from CDM programs should not act
10 as a disincentive to a distributor.

11 On April 26, 2012, the OEB issued Guidelines for Electricity Distributor Conservation and Demand
12 Management (EB-2012-0003 – the “CDM Guidelines”). In keeping with the Directive, the Board adopted
13 a mechanism to capture the difference between the results of actual, verified impacts of authorized
14 CDM activities undertaken by distributors between 2011 and 2014 and the level of activities embedded
15 into rates through the distributors load forecast in an LRAM variance account.

1 **4.11.2 LRAM for pre-2011 CDM activities**

2

3 BPI is including an LRAM claim associated with the impact in 2013 of persisting 2006 to 2010 CDM

4 Program Savings. See section 4.11.3 for further details of this claim.

4.11.3 LRAM Variance Account (LRAMVA)

The Lost Revenue Adjustment Mechanism (LRAM) and associated Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) are the mechanisms which allow distributors to account for the differences between the forecasted impacts of CDM programs and the actual results of the CDM programs carried out by the distributor. BPI is including with this Application a proposal for the disposition of Account 1568- LRAMVA balances as of December 31, 2015. These balances represent the impacts in 2014 of CDM savings from 2011-2014 programs.

BPI engaged Burman Energy Consultants Group Inc. (“Burman”) to assist with the calculations to prepare its application for lost revenues. The calculations in support of BPI’s LRAM and LRAMVA claims and associated report (the “Burman Report”) are included as **Attachment 4-H**.

In its calculations, Burman has used the most recent reports from the IESO (formerly OPA). BPI’s 2010 and 2014 Final CDM reports are included as **Attachment 4-I** and **Attachment 4-J** to this Exhibit.

The tables and calculations by class required under Section 2.4.6.2 of the Filing Requirements can be found in the supporting calculations to the Burman Report. BPI has not included any OEB-approved programs in its LRAM claim. BPI has not included any OEB-approved programs in its LRAM or LRAMVA claims.

Carrying charges are being requested for the LRAMVA claim.

Please refer to Exhibit 9 for the calculation of BPI’s disposition of its LRAMVA balance, included in the calculations with its completed EDDVAR model. The calculations of the separate rate riders for BPI’s LRAM claim are also found in Exhibit 9.

LRAMVA Claim

BPI is including with this Application a claim for the disposition of the balance in its LRAMVA account (USoA account 1568), as at December 31, 2015 (and associated carrying charges).

BPI notes that while Burman has calculated a total LRAMVA amount of \$164,633, this included \$3,307 for the impacts of 2011 to 2013 CDM Programs in 2013, the Settlement Agreement in BPI’s 2013 Cost of Service Rate Application included the following agreement between the Parties:

“For the purposes of settlement, the Parties agreed that no amounts related to 2013 would be

1 booked to Account 1568 – LRAM Variance Account.”¹

2 Therefore BPI has only booked to Account 1568-LRAMVA the principal amount of \$161,326,

3 representing the impacts of 2011 to 2014 CDM programs occurring 2014. The following Table 4.11.3-A

4 sets out the LRAMVA by customer class and associated carrying charges:

Table 4-11.3-A: LRAMVA Claim by Customer Class

Customer Class	2011-2014 CDM Program Lost Revenues in 2014	2014 LRAMVA Baseline	LRAMVA (Lost Revs- Baseline)	Carrying Charges	Total Claim
Residential	\$ 67,587	\$ 55,518	\$ 12,069	\$ 155	\$ 12,224
General Service less than 50 kW	\$ 39,829	\$ 35,187	\$ 4,642	\$ 60	\$ 4,701
General Service 50 to 4,999 kW	\$ 186,082	\$ 41,468	\$ 144,615	\$ 1,857	\$ 146,472
Total	\$ 293,498	\$ 132,172	\$ 161,326	\$ 2,072	\$ 163,398

Customer Class	2011-2014 CDM Program Lost Revenues in 2014
Residential	\$ 67,587
General Service less than 50 kW	\$ 39,829
General Service 50 to 4,999 kW	\$ 186,082
Total	\$ 293,498

7

8 The LRAMVA baseline used to calculate this amount represents the forecasted persistence in 2014 of

9 2011, 2012 and 2013 programs which were incorporated in BPI’s 2013 load forecast. The (full-year)

10 impacts from the 3 years of persistence, totaling 14,809,177 kWh. The kWh were split according to the

11 assumed split in BPI’s Board-Approved 2013 load forecast, with an adjustment translating the kWh for

12 the General Service 50 to 4,999 kW class to kW.

13 BPI will continue to track the variances between the OEB-approved CDM adjustment to its load forecast

14 in this Application and its actual CDM results from the 2015-2020 CDM framework. BPI’s proposal for its

15 LRAMVA baseline going forward is set out in Exhibit 3.

¹http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/426893/view/dec_rateorder_Brantford_20140227.PDF Decision and Rate Order dated February 27, 2014 in EB-2012-0109.

1 **LRAM Claim**

2 BPI's 2008 load forecast did not include an adjustment for CDM, as set out in the OEB's Decision in that
3 Application (EB-2007-0698). BPI did not implement rates based on an updated load forecast including a
4 CDM adjustment until March 1, 2014, following the Board's Decision in EB-2012-0109. In the Board's
5 Decision in BPI's 2012 IRM Application Decision and Order (EB-2011-0147), and again in BPI's 2015 IRM
6 Application (EB-2014-0187), the Board approved the disposition of the impact of the 2006-2010 CDM
7 persisting program impacts in 2010 and 2012 respectively. In the decision on the EB-2011-0147
8 proceeding, the Board found that:

9 "Although the [2008] CDM Guidelines state that lost revenues are only accruable until new rates (based
10 on a new revenue requirement and load forecast) are set by the Board, as savings would be assumed to
11 be incorporated in the load forecast at that time, the Board has acknowledged (PowerStream decision
12 EB-2011-0005 and PUC decision EB-2011-0101) that the 2004 Normalized Average Consumption based
13 load forecast underpinning Brantford's cost of service rates does not include the impact of Brantford's
14 CDM programs."

15 BPI is now claiming the impacts of the historic 2006-2010 CDM programs into 2013. BPI believes it is
16 eligible to claim these amounts as the load forecast underpinning the rates in 2013 was the load
17 forecast from 2008 which did not include any adjustment for CDM. The rates approved in BPI's 2013
18 Cost of Service (EB-2012-0109) were implemented effective March 1, 2014. This will be BPI's final claim
19 for persisting lost revenues from 2006-2010 CDM programs.

20 The Burman Report has calculated a total LRAM claim of \$118,381.22. BPI is not claiming any carrying
21 charges associated with this amount. Table 4.11.3-B below sets out the LRAM claim by rate class. BPI is
22 proposing to dispose of these amounts over a one year period. The associated rate riders are set out in
23 Exhibit 9.

24 **Table 4.11.3-B: LRAM Claim by Customer Class (2006-2010 Persistent Savings in 2013)**

Customer Class	LRAM
Residential	\$ 73,598
General Service less than 50 kW	\$ 19,171
General Service 50 to 4,999 kW	\$ 25,611
Total	\$ 118,381

25

- 1 **Exhibit 4: List of Attachments**
- 2 **4-A: 2015 Actuarial Report – Post-Employment Benefits for Employees of**
- 3 **Brantford Power Inc.**
- 4 **4-B: Shared Services Agreement between the City of Brantford and Brantford**
- 5 **Power Inc.**
- 6 **4-C: Purchasing Policy**
- 7 **4-D: Services Agreement between BEC Group**
- 8 **4-E: Capital Asset Accounting Policy**
- 9 **4-F: PILs Workform**
- 10 **4-G: 2015 Draft Income Tax Return and 2014 Income Tax Return**
- 11 **4-H: Burman Report**
- 12 **4-I: 2010 Final CDM Report**
- 13 **4-J: 2014 Final CDM Report**
- 14 **4-K: CONFIDENTIAL Hay Group Compensation Presentation**

Brantford Power Inc.

EB-2016-0058

Exhibit 4

Attachment 4-A

Filed: May 4, 2016

Attachment 4-A

**2015 Actuarial Report- Post-Employment Benefits for Employees of Brantford
Power Inc.**

**Post-Employment Benefits for
Employees of
Brantford Power Inc.**

Accounting Report as at December 31, 2015

January, 2016

Introduction

Brantford Power Inc. (the “Organization”) retained the services of Morneau Shepell Ltd. to prepare accounting information pertaining to the Organization’s non-pension post-employment benefits plan for the Fiscal year ending December 31, 2015 (“Fiscal 2015”). This extrapolation was performed in accordance with International Accounting Standard 19 – Employee Benefits (“IAS 19”).

We determined the accrued benefit obligation and net benefit costs (i.e. the expense) for the following post-retirement benefits (the “Plan”):

- health benefits,
- dental benefits, and
- life insurance benefits.

The most recent actuarial valuation of the Plan was performed as at January 1, 2015, details of which can be found in our report dated November 2015 (the “Actuarial Valuation Report”). The accounting information contained herein arises from an extrapolation of the January 1, 2015 valuation.

This report was prepared for the Organization for the following purposes:

- to determine the accrued benefit obligation for post-employment benefits as at December 31, 2015;
- to determine the net benefit cost to be recognized for financial statement purposes for the fiscal year ending December 31, 2015 (“Fiscal 2015”); to estimate the net benefit cost to be recognized for financial statement purposes for the fiscal year ending December 31, 2016 (“Fiscal 2016”); and
- to provide the information and the actuarial opinion required by the Organization’s auditor.

Results under IAS 19

The following tables present the Fiscal 2015 defined benefit cost (income) and the estimated December 31, 2015 funded position and accrued benefit liability under IAS 19.

We have also presented estimates for Fiscal 2016. Further details are provided in Appendix B.

Income Statement Items

	Fiscal 2015	Estimated Fiscal 2015
Net Benefit Cost (or Expense)	\$114,882	\$119,082

Reconciliation between Funded Position and Balance Sheet

	Fiscal 2015	Estimated Fiscal 2016
Accrued Benefit Liability (Balance Sheet Item) BOY	\$1,205,061	\$1,236,004
Income/Expense for the year	114,882	119,082
Benefit payments	(52,222)	(55,147)
Total amount recognized in OCI	(31,717)	-
Accrued Benefit Liability (Balance Sheet Item) EOY	\$1,236,004	\$ 1,299,939

There are no assets associated with the post -employment benefits.

Eligibility for Benefits

The following table summarizes the eligibility for post-employment benefits and if eligible, the percentage of any premium paid by the retiree:

Future Retiree Groups	GROUP	300 (Admin)	320 (CUPE)	330 (IBEW)
Dental Benefits	Coverage ends	Age 65	Age 65	Age 65
	% paid by Employer	85%	80%	100%
Extended Health Coverage (EHC) ¹	Coverage ends	Age 65	Age 65	Age 65
	% paid by Employer	100%	100%	100%
Hospital Coverage	Coverage ends	Age 65	Age 65	Age 65
	% paid by Employer	100%	100%	100%
Travel Benefits	Coverage ends	Age 65	N/A	Age 65
	% paid by Employer	100%	N/A	100%
Vision Benefits	Coverage ends	N/A	Age 65	Age 65
	% paid by Employer	N/A	100%	100%

Current Retiree Groups	GROUP	130 (Ex PUC - Admin)	160 (Ex PUC - Grandfathered)	150 (Ex PUC - Power)
Dental Benefits	Coverage ends	Lifetime	N/A	Age 65
	% paid by Employer	100%	N/A	100%
Extended Health Coverage (EHC) ¹	Coverage ends	Lifetime (Survivor benefits to age 65)	Lifetime	Age 65
	% paid by Employer	100%	100%	100%
Hospital Coverage	Coverage ends	Age 65	N/A	Age 65
	% paid by Employer	100%	N/A	100%
Travel Benefits	Coverage ends	Lifetime	N/A	Age 65
	% paid by Employer	100%	N/A	100%
Vision Benefits	Coverage ends	Lifetime	N/A	Age 65
	% paid by Employer	100%	N/A	100%

¹ Includes hospital, travel and vision benefits

Future retirees are not eligible for post-retirement life insurance.

Eligibility for the continuation of benefits after retirement is based on attaining age 55 and does not depend on a minimum service condition.

Certification

I confirm the following:

- The Plan's benefits are defined benefits for purposes of International Accounting Standard 19 – Employee Benefits (“IAS 19”).
- The financial statement items resulting from this extrapolation were determined in accordance with my understanding of IAS 19.
- The results herein were prepared using the Organization's best-estimate assumptions as at December 31, 2015. In my opinion, the assumptions are appropriate for purposes of the extrapolation. These assumptions are summarized in Appendix A.
- I have confirmed with the Organization that there have been no significant changes to the Plan's provisions since the last financial reporting period. I am not aware of any events that could have a significant effect on the extrapolation or on the Organization's financial statements.
- I am a member in good standing of the Canadian Institute of Actuaries. I understand that this report will be used for audit evidence and may be relied on under the terms of the CIA/CPA Joint Policy Statement as described in Section 1630 of the Canadian Institute of Actuaries Standards of Practice.
- I am, and Morneau Shepell Ltd. is, independent with respect to the Organization.

Furthermore, I hereby declare that in my opinion:

- The data upon which this extrapolation is based are sufficient and reliable; and
- This report has been prepared, and my opinion given, in accordance with generally accepted actuarial practice.

Emerging experience differing from assumptions will result in gains and losses which will be revealed in future valuations.

Further information regarding the data, claim costs, plan provisions, methods and accounting policies upon which these figures are based is provided in the appendices to the Actuarial Valuation Report.

I am available at your convenience to provide you with any additional information that you may require.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Nelsha Nanji', written in a cursive style.

Nelsha Nanji, FCIA

MORNEAU SHEPELL LTD.
895 Don Mills Road,
Tower One
Toronto, Ontario
M3C 1W3

Appendix A – Actuarial Assumptions and Methods

Actuarial Assumptions

	December 31, 2015
Economic Factors	
Discount Rate to determine the Fiscal 2015 Expense	3.50% per annum
Discount Rate to estimate the December 31, 2015 disclosures and 2016 Expense estimate	3.75% per annum
Dental Cost Trend Rates	3.75% per annum
Extended Health Care Trend Rates ¹	7.00% per annum in 2015; decreasing by 0.25% per annum to an ultimate rate of 4.75% per annum in 2023 and thereafter
Demographic Factors	
Full eligibility age	Age 55
Retirement age	Age 59 or immediate if older than 59
Mortality	New Canadian Pensioner Mortality Private Table (CPM2014Priv) with improvement Scale B
Termination of employment	22.0% per annum before age 55 No terminations are assumed after age 55
Loadings (includes taxes and insurer expenses) Life Insurance	17.69%
Disability	None
Age difference between retiree and spouse	Women are the same age as men
Members electing coverage at retirement	Current coverage will continue into retirement

¹ Applies to hospital, drug, travel, and vision benefits.

DISCOUNT RATE USED AT December 31, 2015

Under IAS 19, the discount rate is defined as the current yields on high-quality corporate bonds with maturities consistent with the duration of the benefit obligations or the discount rate at which the defined benefit obligation could be settled.

Morneau Shepell has developed its own model (“MS model”) in accordance with the Canadian Institute of Actuaries’ Educational Note – *Accounting Discount Rate Assumptions for Pension and Post-Employment Benefit Plans*, dated September 20, 2011. The discount rate for the Organization as at December 31, 2015 was developed in accordance with the MS model. The MS model makes use of both a larger underlying data set and an improved methodology to generate the yield curve.

Appendix B – Accounting Schedule

	Comparator year		
	Estimate 2016	2015	2014
Starting information			
Present value of obligation	1,236,004	1,205,061	1,077,901
Adjustment due to actuarial valuation	<u>0</u>	<u>0</u>	<u>0</u>
Adjusted present value of obligation	1,236,004	1,205,061	1,077,901
Discount rate on obligation at BoP	3.75%	3.50%	4.25%
Discount rate on obligation at EoP	3.75%	3.75%	3.50%
Current service cost	71,100	71,129	61,014
Actual Employer benefit payments	55,147	52,222	70,000
Estimated Employer benefit payments	55,147	52,222	70,000
Past service costs	0	0	0
I. Interest cost			
Opening obligation	1,236,004	1,205,061	1,077,901
Current service cost	71,100	71,129	61,014
Expected benefit payments (mid-year)	<u>(27,574)</u>	<u>(26,111)</u>	<u>(35,000)</u>
Total	<u>1,279,531</u>	<u>1,250,079</u>	<u>1,103,915</u>
Interest cost	<u>47,982</u>	<u>43,753</u>	<u>46,916</u>
II. Actuarial experience on obligation			
Opening obligation	1,236,004	1,205,061	1,077,901
Current service cost	71,100	71,129	61,014
Past service costs	0	0	0
Interest cost	47,982	43,753	46,916
Actual Employer benefit payments	<u>(55,147)</u>	<u>(52,222)</u>	<u>(70,000)</u>
Expected value at EoP	1,299,939	1,267,721	1,115,831
Actual value at EoP	<u>1,299,939</u>	<u>1,236,004</u>	<u>1,205,061</u>
Actuarial experience loss (gain)	<u>0</u>	<u>(31,717)</u>	<u>89,230</u>
III. Remeasurements of the net defined benefit liability			
Actuarial loss (gain) arising from plan experience	0	0	0
Actuarial loss (gain) arising from changes in mortality table assumptions	0	0	0
Actuarial loss (gain) arising from changes in financial assumptions	<u>0</u>	<u>(31,717)</u>	<u>89,230</u>
Total amount recognized in OCI	<u>0</u>	<u>(31,717)</u>	<u>89,230</u>
IV. Expense recognized			
Current service cost	71,100	71,129	61,014
Administration costs (other than costs of managing plan assets)	0	0	0
Past service cost (including curtailment)	0	0	0
Loss (gain) on settlement	<u>0</u>	<u>0</u>	<u>0</u>
Service cost	71,100	71,129	61,014
Net interest cost on the net defined benefit liability (asset)	47,982	43,753	46,916
Expense (income) recognized in profit or loss	<u>119,082</u>	<u>114,882</u>	<u>107,930</u>
V. Components of the defined benefit cost			
Service cost	71,100	71,129	61,014
Net interest cost on the net defined benefit liability (asset)	47,982	43,753	46,916
Total amount recognized in OCI	<u>0</u>	<u>0</u>	<u>89,230</u>
Defined benefit cost	<u>119,082</u>	<u>114,882</u>	<u>197,160</u>
VI. Calculation of accrual			
Opening balance	1,236,004	1,205,061	1,077,901
Expense for the year	119,082	114,882	107,930
Actual Employer benefit payments	(55,147)	(52,222)	(70,000)
Total amount recognized in OCI	<u>0</u>	<u>(31,717)</u>	<u>89,230</u>
Closing balance	<u>1,299,939</u>	<u>1,236,004</u>	<u>1,205,061</u>

Brantford Power Inc.

EB-2016-0058

Exhibit 4

Attachment 4-B

Filed: May 4, 2016

Attachment 4-B

**Shared Services Agreement between the City of Brantford and Brantford
Power Inc.**

SHARED SERVICES AGREEMENT

BETWEEN

THE CORPORATION OF THE CITY OF BRANTFORD

– and –

BRANTFORD POWER INC.

JANUARY 1, 2013

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SHARED SERVICES AGREEMENT

THIS AGREEMENT is dated and effective as of January 1, 2013.

B E T W E E N :

**THE CORPORATION OF THE CITY OF
BRANTFORD**

(the "City")

- and -

BRANTFORD POWER INC., a corporation
incorporated under the laws of Ontario

("BPI")

CONTEXT

- A. The City provides certain of services that will meet the operational requirements of BPI.
- B. BPI requires that the City provide the Services to facilitate the operation of the Business.

THEREFORE, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement, the following terms have the following meanings:

- 1.1.1 "Affected Price" is defined in Section 2.4.2.
- 1.1.2 "Affected Service" is defined in Section 2.4.2.
- 1.1.3 "Affiliate" means an affiliate as that term is defined in the *Business Corporations Act* (Ontario).
- 1.1.4 "Agreement" means this agreement, including all Schedules, as it may be confirmed, amended, modified, supplemented or restated by written agreement between the Parties.
- 1.1.5 "Applicable Law" means, at any time, with respect to any Person, property, transaction or event, all applicable laws, statutes, regulations, treaties, judgments and decrees and (whether or not having the force of law) all applicable official directives, rules, codes, consents, approvals, by-laws, permits, authorizations, guidelines, orders

and policies of any Persons having authority over that Person, property, transaction or event.

- 1.1.6 “**Arbitration Act**” is defined in Section 7.4.
- 1.1.7 “**Arbitrator**” is defined in Section 7.4.
- 1.1.8 “**ARC**” means the Ontario Energy Board’s *Affiliate Relationships Code for Electricity Distributors and Transmitters*, as amended, restated and replaced from time to time.
- 1.1.9 “**Business**” means the business of distributing electricity to residential, commercial and industrial customers in the City of Brantford.
- 1.1.10 “**Business Day**” means any day excluding a Saturday, Sunday or statutory holiday in the Province of Ontario, and also excluding any day on which the principal chartered banks located in the City of Brantford are not open for business during normal banking hours.
- 1.1.11 “**BPI**” is defined in the recital of the Parties above.
- 1.1.12 “**BPI Data**” is defined in Section 3.4.
- 1.1.13 “**City**” is defined in the recital of the Parties above.
- 1.1.14 “**Communication**” means any notice, demand, request, consent, approval or other communication which is required or permitted by this Agreement to be given or made by a Party.
- 1.1.15 “**Commodity Taxes**” means all taxes levied on or measured by, or referred to as transfer, land transfer, registration charges, gross receipt, sales, retail sales, use, consumption, goods and services, harmonized sales, value-added, turnover, excise or stamp, all customs duties, countervail, anti-dumping and special import measures, and all import and export taxes.
- 1.1.16 “**Comparable Service**” is defined in Section 4.2.3.
- 1.1.17 “**Confidential Information**” means any information relating to BPI or its Business, including:
 - 1.1.17.1 Personal Information;
 - 1.1.17.2 Customer Information;
 - 1.1.17.3 information relating to the assets, business plans, Customers, Employees, equipment, financial statements and financial performance, intellectual property, inventory, market strategies, operations, pricing, products, suppliers, and trade secrets of BPI; and

1.1.17.4 all analyses, compilations, records, data, reports, correspondence, memoranda, specifications, materials, applications, technical data, studies, derivative works, reproductions, copies, extracts, summaries or other documents containing or based upon, in whole or in part, any of the information listed above in this Section 1.1.17,

whether communicated in written form, orally, visually, demonstratively, technically or by any other electronic form or other media, or committed to memory, and whether or not designated, marked, labelled or identified as confidential or proprietary, but excluding information, other than Personal Information, which:

1.1.17.5 was, is or becomes available to or known by the public, other than as a result of improper disclosure by the City or any of its Representatives, before the end of the Term; or

1.1.17.6 was or is obtained from a source other than BPI, any of its Representatives, or any Person bound by a duty of confidentiality to BPI or the Business.

1.1.18 “**Consents**” is defined in Section 3.5.

1.1.19 “**Cost Change**” is defined in Section 4.2.3.

1.1.20 “**Customer**” means any Person who is a customer of BPI or has been a customer of BPI.

1.1.21 “**Customer Information**” means any information relating to a Customer, including information BPI has obtained relation to a specific smart sub-metering provider, wholesaler, consumer, retailer, or generator in the process of providing current or prospective utility service.

1.1.22 “**Defaulting Party**” is defined in Section 2.3.

1.1.23 “**Disputes**” is defined in Section 7.1.

1.1.24 “**Employee**” means any employee or independent contractor employed or retained in connection with the Business on a full-time or part-time basis, including any who are on medical or long-term disability leave, or other statutory or authorized leave or absence.

1.1.25 “**FAC Services**” means those Services identified under the heading “FAC Services” on Schedule B, the fees for which are determined on a fully-allocated cost basis by the City, which the Parties acknowledge are also “shared corporate services” (as such term is defined in the ARC).

1.1.26 “**Facilitated Negotiation Period**” is defined in Section 7.3.

1.1.27 “**Facilitator**” is defined in Section 7.3.

- 1.1.28 **“Failing Party”** is defined in Section 2.5.
- 1.1.29 **“Force Majeure”** means acts of God; laws, orders, rules, regulations, acts and restraints of armies, militaries, enemies, terrorists, and Governmental Authorities; war, revolutions, mobilization, political and civil unrest or insurrection, embargos, disturbances and riots; epidemics, outbreak of disease and quarantine; inclement weather including floods, storms, tornados, hurricanes, tsunamis, earthquakes, volcanic eruptions and landslides; explosions and fire; labour issues including disputes, walkouts, strikes, slowdowns, lockouts and picketing; damage, destruction or expropriation of property; delays or defaults in or caused by, and shortages of, power, water, transportation and common carriers, facilities, labour, subcontractors, goods, materials and supplies; and any other event or occurrence beyond the reasonable control of the Failing Party.
- 1.1.30 **“Governmental Authority”** means:
- 1.1.30.1 any federal, provincial, state, local, municipal, regional, territorial, aboriginal, or other government, governmental or public department, branch, ministry, or court, domestic or foreign, including any district, agency, commission, board, arbitration panel or authority and any subdivision of any of them exercising or entitled to exercise any administrative, executive, judicial, ministerial, prerogative, legislative, regulatory, or taxing authority or power of any nature; and
- 1.1.30.2 any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of them, and any subdivision of any of them, including the Ontario Energy Board.
- 1.1.31 **“Indemnified Party”** is defined in Section 6.4.1.
- 1.1.32 **“Indemnifying Party”** is defined in Section 6.4.1.
- 1.1.33 **“Initial Term”** is defined in Section 2.1.
- 1.1.34 **“Licences”** is defined in Section 3.5.
- 1.1.35 **“Local Market Survey”** is defined in Section 4.2.3.
- 1.1.36 **“Loss”** means:
- 1.1.36.1 any loss, liability, damage, cost, expense, charge, fine, penalty or assessment including the costs and expenses of any action, suit, proceeding, demand, assessment, judgment, settlement or compromise and all interest, fines, penalties and reasonable professional fees and disbursements;

but excluding

- 1.1.36.2 indirect, incidental, special, consequential, exemplary, punitive or reliance damages or liability of any kind, including for any death or personal injury, as well as any loss or anticipated loss of business profit, business information, business reputation or business goodwill, or for any business interruption, even if the Party against whom the Loss is claimed, or its agents, employees or other personnel, have been advised of the possibility of any such damages, liabilities, or losses.
- 1.1.37 **“Market Differential”** is defined in Section 4.2.3.
- 1.1.38 **“Monthly Invoice”** is defined in Section 4.2.1.
- 1.1.39 **“Negotiation Period”** is defined in Section 7.2.2.
- 1.1.40 **“Non FAC Services”** means those Services identified under the heading “Non FAC Services” on Schedule B, the fees for which are determined on a market basis by the City.
- 1.1.41 **“Non-Requesting Party”** is defined in Section 7.3.
- 1.1.42 **“Parties”** means the City and BPI, collectively, and **“Party”** means any one of them.
- 1.1.43 **“Person”** means:
 - 1.1.43.1 a natural person, whether acting in his or her own capacity, or in his or her capacity as executor, administrator, estate trustee, trustee or personal or legal representative, and the heirs, executors, administrators, estate trustees, trustees or other personal or legal representatives of a natural person;
 - 1.1.43.2 a corporation or a company of any kind, a partnership of any kind, a sole proprietorship, a trust, a joint venture, an association, an unincorporated association, an unincorporated syndicate, an unincorporated organization or any other association, organization or entity of any kind; and
 - 1.1.43.3 a Governmental Authority.
- 1.1.44 **“Personal Information”** means information relating to identifiable individuals.
- 1.1.45 **“Requesting Party”** is defined in Section 7.3.
- 1.1.46 **“Renewal Period”** is defined in Section 2.2.1.
- 1.1.47 **“Representatives”** means advisors, agents, consultants, directors, officers, management, employees, subcontractors, and other representatives, including accountants, auditors, financial advisors, lenders and lawyers of a Party.

- 1.1.48 “**Secondary Information**” is defined in Section 5.2.
- 1.1.49 “**Semi-Annual Adjustment**” is defined in Section 4.2.2.
- 1.1.50 “**Semi-Annual Period**” is defined in Section 4.2.2.
- 1.1.51 “**Semi-Annual Statement**” is defined in Section 4.2.2.
- 1.1.52 “**Services**” means the services set forth on Schedule A.
- 1.1.53 “**Term**” means the Initial Term and each Renewal Period, if any.
- 1.1.54 “**Termination Date**” is defined in Section 8.7.1.
- 1.1.55 “**Third Party Agreements**” is defined in Section 3.5.

1.2 Certain Rules of Interpretation

- 1.2.1 In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words "including" or "includes" in this Agreement is to be construed as meaning "including, without limitation" or "includes, without limitation", respectively.
 - 1.2.2 The division of this Agreement into Articles and Sections, the insertion of headings and the inclusion of a table of contents are for convenience of reference only and do not affect the construction or interpretation of this Agreement.
 - 1.2.3 References in this Agreement to an Article, Section, or Schedule are to be construed as references to an Article, Section, or Schedule of or to this Agreement unless otherwise specified.
 - 1.2.4 Unless otherwise specified in this Agreement, time periods within which or following which any calculation or payment is to be made, or action is to be taken, will be calculated by excluding the day on which the period begins and including the day on which the period ends. If the last day of a time period is not a Business Day, the time period will end on the next Business Day.
 - 1.2.5 Unless otherwise specified, any reference in this Agreement to any statute includes all regulations and subordinate legislation made under or in connection with that statute at any time, and is to be construed as a reference to that statute as amended, modified, restated, supplemented, extended, re-enacted, replaced or superseded at any time.
 - 1.2.6 If there is any conflict between the provisions of this Agreement and provisions in any of the Schedules, the provisions of this Agreement will govern.
-

1.3 Governing Law

This Agreement is governed by, and is to be construed and interpreted in accordance with, the laws of the Province of Ontario and the laws of Canada applicable in that Province.

1.4 Entire Agreement

This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, and there are no representations, warranties or other agreements between the Parties in connection with the subject matter of this Agreement except as specifically set out in this Agreement. No Party has been induced to enter into this Agreement in reliance on, and there will be no liability assessed, either in tort or contract, with respect to, any warranty, representation, opinion, advice or assertion of fact, except to the extent it has been reduced to writing and included as a term in this Agreement.

1.5 Business Day

Whenever any calculation or payment to be made or action to be taken under this Agreement is required to be made or taken on a day other than a Business Day, the calculation or payment is to be made, or action is to be taken on the next Business Day.

1.6 Payment and Currency

Any money to be advanced, paid or tendered by one Party to another under this Agreement must be advanced, paid or tendered by bank draft, certified cheque or wire transfer of immediately available funds payable to the Person to whom the amount is due. Unless otherwise specified, the word "dollar" and the "\$" sign refer to Canadian currency, and all amounts to be advanced, paid, tendered or calculated under this Agreement are to be advanced, paid, tendered or calculated in Canadian currency.

1.7 Schedules

The following Schedules are incorporated by reference into and deemed to be a part of this Agreement:

Schedule	Subject Matter
A	Defined Terms for Service Schedules
A-1	Accounts Payable
A-2	Payroll
A-3	Purchasing

Schedule	Subject Matter
A-4	Human Resources
A-5	Information Technology Services
A-6	Legal and Real Estate Services
A-7	Mailrun
A-8	Postage Service
A-9	Telephone Services
A-10	Insurance & Risk Management
A-11	Records Management
A-12	Facility Asset Management (property management)
A-13	Rental of Facilities – Office Space
A-14	Rental of Facilities – Office/Warehouse/Vehicle Storage
A-15	Tree Trimming
B	FAC Services and Non FAC Services

ARTICLE 2 TERM AND TERMINATION

2.1 Term

The initial term of this Agreement (the “**Initial Term**”) will be for a consecutive 4 year period commencing on January 1, 2013 and continuing through to and including the date immediately prior to the consecutive 4 year anniversary date of that date, subject to the termination provisions set out in this Agreement.

2.2 Renewals

2.2.1 The Initial Term may be extended for any period (any such extension, a “**Renewal Period**”) provided that the Parties agree to the terms of a Renewal Period at least 6 months prior to the end of the Initial Term or then current term.

2.2.2 At least 12 months prior to the end of the Initial Term the Parties will provide a written notice to the other setting forth the intention of such Party to enter into discussions regarding a Renewal Period.

2.2.3 Notwithstanding anything in this Section 2.2 to the contrary, there shall be no obligation on either Party to enter into an agreement for a Renewal Period.

2.3 Termination

This Agreement may be terminated by a Party upon 30 Business Days notice to the other Party (the "**Defaulting Party**") upon the occurrence of any of the following events:

- 2.3.1 if the Defaulting Party is in default of any material term of this Agreement and the default has not been cured within 30 Business Days of written notice of that default having been given by one Party to the Defaulting Party;
- 2.3.2 if the Defaulting Party becomes insolvent, makes an assignment for the benefit of creditors or is the subject of any proceeding under any bankruptcy and/or insolvency law;
- 2.3.3 if the Defaulting Party winds up, dissolves, liquidates or takes steps to do so or otherwise ceases to function as a going concern; or
- 2.3.4 if a receiver or other custodian (interim or permanent) of any of the assets of the Defaulting Party is appointed by private instrument or by court order or if any execution or other similar process of any court becomes enforceable against the Defaulting Party or its assets or if distress is made against any of the Defaulting Party's assets.

2.4 ARC Compliance

- 2.4.1 The Parties acknowledge that BPI is an electricity distributor licensed and regulated by the Ontario Energy Board under the *Ontario Energy Board Act, 1998*.
- 2.4.2 If BPI advises the City in writing that all or any part of a Service (an "**Affected Service**") or all or any part of the pricing or pricing mechanism underlying charges for a Service (an "**Affected Price**") is causing BPI to contravene the ARC the Parties agree to proceed as follows:
 - 2.4.2.1 the Parties will make, and participate in, good faith efforts to agree to conform an Affected Service or Affected Price to the requirements of the ARC and amend the applicable Schedule accordingly;
 - 2.4.2.2 if the Parties cannot agree to conform an Affected Service or Affected Price under Section 2.4.2.1 within a reasonable period of time, BPI will make an application to the Ontario Energy Board for an exemption for the Affected Service or Affected Price from the requirements of the ARC; and
 - 2.4.2.3 if BPI makes an application to the Ontario Energy Board for an exemption for the Affected Service or Affected Price from the requirements of the ARC and such an application is unsuccessful, the Parties agree that the

City will cease performing all or part of the Affected Service and/or charging the Affected Price, as applicable, and all or part of the Affected Service and/or Affected Price, as applicable, will be deemed to be inoperative for the remainder of the Term. For certainty, where only part of an Affected Service and/or Affected Price is inoperative under this 2.4.2.3 the City may, at its option, cease to perform the whole of such Affected Service if the City determines, in its sole discretion, that such performance is impractical.

2.5 Force Majeure

If a Party (the “**Failing Party**”) is unable or fails to perform any or all of its duties and obligations under this Agreement by reason of Force Majeure, the Failing Party will not be liable to the other Party during the period of Force Majeure and to the extent of its inability or failure, but:

- 2.5.1 the Failing Party claiming Force Majeure must notify the other Party promptly and in any event, in writing within 72 hours after the Force Majeure event, setting out in reasonable detail the nature of the event, giving a good faith estimate of the expected duration of the event and outlining the steps the Failing Party intends to take to mitigate the effect of the event; and
- 2.5.2 the Failing Party will make all commercially reasonable efforts in the circumstances to surmount the event of Force Majeure, and to resume full performance as soon as it is reasonably possible to do so, provided that the Failing Party will not be required to settle any walkout, strike or labour dispute on commercially unreasonable terms.

2.6 Termination Without Prejudice

Any termination of this Agreement pursuant to Section 2.3 shall be without prejudice to any other remedies which any Party may have against the other arising out of a breach or default and shall not affect any rights or obligations of any Party arising under this Agreement prior to such termination.

2.7 Continuing Obligation

Termination of this Agreement will not release, discharge or otherwise affect the obligation of BPI to pay for any Services provided to it before the termination took effect, including any interest on unpaid amounts as contemplated by Section 4.4.

ARTICLE 3 SERVICES

3.1 Provision of Services

- 3.1.1 The City agrees to provide the Services to BPI throughout the Term as set forth in Schedule A.
- 3.1.2 The City shall perform the Services in accordance with the standards and service levels as set forth in the Schedules.

3.2 Provision of Information by the Parties

BPI will provide any information, data or other items reasonably required by the City to provide the Services, including any information requested in writing by the City. The City will also provide BPI at its reasonable written request with such information within the City's control in order for BPI to determine its compliance with the ARC. A Party receiving an oral information request will, if requested, acknowledge that request in writing to the other Party and, if reasonably required under the circumstances provide an estimate of the time by which the requested information will be delivered.

3.3 Personnel

The City will provide all necessary and appropriate personnel to perform the Services. The personnel performing the Services will not be required to perform services exclusively for BPI, but may also provide similar services for the City and other entities. The Services will be performed during the City's normal business hours. While providing the Services, the City's personnel will remain employees of the City. The City will be responsible for all wages, benefits, withholdings for tax purposes, and all other employer liabilities and responsibilities relating to all of its personnel.

3.4 Processing Errors

BPI is responsible from the date of this Agreement for the accuracy and completeness of all information submitted by BPI to the City (whether communicated in written form, orally, or by any other electronic form or other media) for processing or transmission in connection with the Services, including all original reports, intellectual property, computer programs, information, data or other items (collectively, the "**BPI Data**") and for any errors in and with respect to the BPI Data obtained from the City because of any inaccurate or incomplete BPI Data.

3.5 Third Party Agreements

The Parties recognize that certain Services and/or certain related software and hardware licences (the "**Licences**") are provided by third parties under specific third party agreements (the "**Third Party Agreements**"). The City will use commercially reasonable efforts to obtain any necessary consents, approvals or amendments under its Third Party Agreements or any other existing

agreements necessary to allow the City to provide the Services to BPI (the "Consents"). BPI will pay the cost of obtaining the Consents, if any, and any fees or charges associated with the Consents, including any additional licence or sublicense fees.

3.6 Security

The City will maintain adequate back-up material that will enable the regeneration of BPI Data, computer files, printer output and other data generated in the course of providing the Services, in case any of it is destroyed. At least one copy of all back-up material will be stored in secure premises off-site until a new back-up copy replaces it. For the purposes of this Section, back-up material will mean exact copies of the magnetic tapes, disks or other BPI Data furnished to, or in the possession of, the City at any time. The City will adopt reasonable measures and safeguards to prevent the loss, damage or destruction of BPI Data and back-up material.

3.7 General Limitations

Nothing in this Agreement will:

- 3.7.1 require the City to perform any services not provided for in this Agreement;
- 3.7.2 require the City to make any change or addition that will require any capital expenditures by the City without the prior agreement of the City;
- 3.7.3 prohibit the City from making minor changes or additions to the Services, so long as the City continues to provide the Services substantially in the manner set forth in the Schedules; or
- 3.7.4 prohibit the City from adjusting the fees for the Services in accordance with Section 4.2.

3.8 Status of Parties

The Parties acknowledge that they are separate entities, and that the execution and performance of this Agreement does not create a partnership or joint venture between them.

ARTICLE 4 PAYMENT

4.1 Charges

The charges for the Services will be calculated as set out in Schedule A, in each case plus all applicable Commodity Taxes.

4.2 Monthly Invoicing and Annual Reconciliations

- 4.2.1 Each month the City will prepare and deliver to BPI an invoice for amounts that are estimated as payable to it in respect of the Services provided in the immediately preceding month (each such invoice, a "**Monthly Invoice**").
- 4.2.2 Following July 31 and December 31 of each calendar year during the Term (each such period, a "**Semi-Annual Period**") the City will reconcile the Monthly Invoices delivered to BPI in each Semi-Annual Period against the actual fees, costs and expenses payable by BPI in accordance with agreed pricing terms set forth in the Schedules for FAC Services provided during the applicable Semi-Annual Period (each such adjustment, a "**Semi-Annual Adjustment**"). No later than 60 days following the last day of the preceding Semi-Annual Period the City will deliver a semi-annual statement to BPI reflecting any balances due or credits owing in connection with an Semi-Annual Adjustment (each such statement, a "**Semi-Annual Statement**") for FAC Services. All balances due from BPI on a Semi-Annual Statement will automatically be subject to payment in accordance with Section 4.2.4. Any credits owing to BPI on a Semi-Annual Statement will automatically be applied to the following Monthly Invoice. Subject to Section 4.2.4, the City may continue to reconcile the fees charged for any Semi-Annual Period for FAC Services in accordance with this Section 4.2.2 notwithstanding the completion of any Semi-Annual Adjustment or delivery of any Semi-Annual Statement.
- 4.2.3 To the extent that there is a change in the City's costs in delivering any Non FAC Service (each such change, a "**Cost Change**") the City may adjust the pricing of the applicable Non FAC Service set forth in the applicable Schedule in accordance with this Section 4.2.3. The City will perform an updated review of local market rates for services comparable to the Non FAC Service subject to the Cost Change (a "**Comparable Service**") available in the City of Brantford (the "**Local Market Survey**"). In the event that there is a difference in price between the Non FAC Service set forth in the applicable Schedule and the price for a Comparable Service set forth in the Local Market Survey (each such price differential, a "**Market Differential**"), the City may adjust the price for the Non FAC Service set forth in the applicable Schedule by an amount equal to the Market Differential. The City may adjust for a Market Differential at any time during the Term effective as of the date of any Cost Change. All adjustments for Cost Changes will be reflected on the Monthly Invoice following the City's determination of a Cost Change. All balances due from BPI on a Monthly Invoice will automatically be subject to payment in accordance with Section 4.2.4. Any credits owing to BPI on a Monthly Invoice will automatically be applied to the following Monthly Invoice. Subject to Section 4.2.4, the City may continue to adjust for Market Differentials at any time during the Term in accordance with this Section 4.2.2.
- 4.2.4 No further reconciliations of the fees charged for FAC Services under Section 4.2.2 or adjustments for Market Differentials for Non FAC Services under Section 4.2.3 may be made by the City after 60 calendar days following December 31 of each

calendar year in which such FAC Services and/or Non FAC Services were invoiced. Notwithstanding the foregoing, the Parties acknowledge that:

- 4.2.4.1 the portion of the fees charged for FAC Services and/or Non FAC Services that are classified as “out-of-pocket” expenses by the City and incurred by the City on BPI’s behalf may not be known within 60 calendar days following December 31 of each calendar year in which such FAC Services and/or Non FAC Services were invoiced; and
- 4.2.4.2 the City may continue to reconcile and adjust the charges for the portion of the fees for FAC Services and/or Non FAC Services that are classified as “out-of-pocket” expenses by the City at any time during the Term, whenever such “out-of-pocket” expenses were incurred or invoiced by the City.

4.3 Payment

Payment of amounts owed by BPI to the City will be made by the 30th day after receipt of the Monthly Invoice or Semi-Annual Statement. Payments will be made to an account specified by the City in writing. If there is a dispute as to the amount payable to the City for Services rendered, BPI will, within 15 days of receipt of the Monthly Invoice or Semi-Annual Statement, notify the City in writing that it disputes the Monthly Invoice or Semi-Annual Statement. BPI will be deemed to have finally accepted the Monthly Invoice or Semi-Annual Statement unless it delivers its dispute notice to the City within the applicable time period. Despite the submission of a dispute notice by BPI, BPI will pay to the City all amounts that are invoiced.

4.4 Default

If BPI fails to comply with its payment obligations in accordance with this Agreement, interest will be billed to BPI from the due date until paid in full at a rate of 24% per annum in accordance with the Fees and Charges Bylaw of the City.

ARTICLE 5 COVENANTS

5.1 Confidentiality

5.1.1 The City acknowledges and agrees that:

- 5.1.1.1 BPI is the exclusive owner of all right, title and interest in and to the Confidential Information; and
- 5.1.1.2 the City has no right, title, licence, or interest in or to the Confidential Information, except for the right, subject to this Agreement, to review the Confidential Information for the purpose of carrying out its obligations under this Agreement.

Accordingly, the City agrees to hold in strict confidence and not disclose or use, and the City will not allow any of its Representatives to disclose or use, any Confidential Information, for any purpose, except as provided in this Section 5.1.

5.1.2 BPI or any of its Representatives will disclose Confidential Information to the City or any of its Representatives upon the following conditions:

5.1.2.1 the City will hold, and will cause its Representatives to hold, all Confidential Information in trust for BPI and will not use, or permit any of its Representatives to use, any of the Confidential Information, at any time or in any manner, except as is required by the City to carry out its obligations under this Agreement;

5.1.2.2 the City will limit the disclosure of the Confidential Information to those of its Representatives who have a need to know the Confidential Information to assist the City in carrying out its obligations under this Agreement, who are informed by the City of the confidential nature of the Confidential Information and who agree in writing to act in accordance with and be bound by the terms and conditions of this Agreement;

5.1.2.3 the City will not permit its Affiliates or their Representatives to access any Customer Information; and

5.1.2.4 the City will be responsible for any breach of this Section 5.1, or any disclosure, divulgence, communication or use of any Confidential Information in a manner not authorized by this Agreement by any of its Representatives.

5.1.3 The City will take appropriate measures to protect the Confidential Information and will keep a record of the location of the Confidential Information and all of its Representatives to whom Confidential Information is provided. The City will store the Confidential Information properly and securely and ensure that appropriate technical and organizational means and physical or electronic storage media are in place to protect the Confidential Information against unauthorized or unlawful access or processing, and against accidental loss, destruction or damage, including taking reasonable steps to ensure the reliability of any Representative of the City permitted by the City to have access to the Confidential Information. The City will permit BPI upon 10 Business Days prior written notice to audit and review the City's electronic access and security procedures and protocols pursuant to the standards set forth in ARC section 2.2.2.

5.1.4 The City will, upon the written request of BPI, return promptly to BPI, or destroy, and provide written certification of the destruction of, all documents, physical or tangible manifestations and electronic and computerized forms of the Confidential Information received from BPI, including all copies, reproductions and applications of the Confidential Information, but the City will be entitled to retain copies of these records only as may be necessary to establish the City's satisfactory performance of

its obligations under this Agreement and to comply with Applicable Law, Governmental Authority or audit requirements.

- 5.1.5 If the City or any Representative of the City is required by any Applicable Law or by any Governmental Authority to disclose any Confidential Information, the City or that Representative will provide BPI with prompt written notice of that requirement, so that BPI may contest the disclosure of the Confidential Information and seek an appropriate protective order or other appropriate remedy.
- 5.1.6 If, in the absence of a protective order or other appropriate remedy, the City or any Representative of the City is, in the reasonable opinion of its lawyers, required by any Applicable Law or by any Governmental Authority to disclose any Confidential Information or stands liable for contempt or to suffer other censure or penalty, then the City or that Representative may, without liability under this Agreement, disclose that portion of the Confidential Information, but only that portion, that the City or the Representative is legally required to disclose.
- 5.1.7 The City will notify BPI immediately upon discovery of any breach of this Section 5.1 or any unauthorized or unlawful disclosure, divulgence, communication or use of any Confidential Information.
- 5.1.8 The covenants and obligations contained in this Section 5.1 will be perpetual.

5.2 Computer Back-up

The Parties acknowledge that the computers and data storage and retrieval systems or network of the City and, if applicable, its Representatives, may automatically back up Confidential Information stored in electronic form. The Parties agree that to the extent that those back-up procedures automatically create electronic copies of Confidential Information (the "**Secondary Information**"), each of the City and, if applicable, its Representatives, may, despite any requirement under this Agreement to return or destroy Confidential Information, retain Secondary Information in its archival storage for the period that it would normally archive electronic data, provided that those data are periodically and systematically overwritten or otherwise destroyed. Secondary Information will be subject to the provisions of this Agreement until destroyed and may not be accessed by the City or any of its Representatives during its period of archival storage.

5.3 Security of Electronic Information

Use of Confidential Information by, or disclosure of Confidential Information to, any person that is not a Party to this Agreement or a Representative of the City permitted by the City to have access to the Confidential Information, that results from a breach of the electronic security of the computers and data storage and retrieval systems or network of the City or, if applicable, any Representative of the City, will be treated as a disclosure by the City contrary to the terms of this Agreement, provided that the breach results from a failure by the City or, if applicable, any of its Representatives, to implement appropriate security measures consistent with best practices or otherwise take necessary precautions in order to secure the Confidential Information.

5.4 Books of Account and Information

Each of BPI and the City will maintain at its head office appropriate books of account and records with respect to all transactions entered into in the performance of this Agreement. Each of BPI and the City will provide to the other whatever additional reports and information relating to the Services provided under this Agreement which the other may reasonably request.

ARTICLE 6 INDEMNIFICATION

6.1 Indemnification by City

The City agrees to defend, indemnify and save harmless BPI, its agents or employees, from and against any Loss sustained or incurred by BPI, its agent or employees, which arises or results directly from:

- 6.1.1 the breach by the City of any representation, warranty or covenant contained in this Agreement;
- 6.1.2 the failure to deliver the Services if that failure lasts for more than three Business Days or if there are more than five instances of failure in any one year period; or
- 6.1.3 any negligent or wilful act or omission of the City or its Representatives.

6.2 Indemnification by BPI

BPI agrees to defend, indemnify and hold harmless the City, its agents or employees, from and against any Loss sustained or incurred by the City, its agents or employees, which arises or results directly from the breach by BPI of any representation, warranty or covenants contained in this Agreement.

6.3 Limitation on Indemnification by City

The indemnification obligations of the City pursuant to Section 6.1 are strictly limited to the sum of the aggregate amount of fees paid by BPI to the City pursuant to this Agreement during the then immediately preceding 12 month period, calculated from the date on which such liability arose. This Section 6.3 will prevail in the event of any conflict between the terms of this Agreement and this Section 6.3.

6.4 Third Party Claims

- 6.4.1 Upon receipt of a claim by either Party (the "**Indemnified Party**") from a third party for which the other Party (the "**Indemnifying Party**") has agreed to indemnify the Indemnified Party, the Indemnified Party will notify the Indemnifying Party in writing of that claim.
- 6.4.2 Upon receipt of that notice, the Indemnifying Party will have the right to defend and/or settle any such claim at its own expense, provided that the Indemnifying Party advises the Indemnified Party of its intention to do so with 30 days of receipt of that notice.
- 6.4.3 If the Indemnifying Party fails to advise the Indemnified Party within the time specified in Section 6.4.2, the Indemnified Party will have the right but not the obligation to defend or settle that claim, employing counsel chosen exclusively by the Indemnified Party, in which case the Indemnifying Party will indemnify the Indemnified Party for all amounts which it is required to pay in settlement or satisfaction of those claims and will reimburse the Indemnified Party for all expenses (including reasonable legal fees and costs) incurred in the defence or compromise that claim.
- 6.4.4 Any settlement of any claim by the Indemnifying Party must include a full and complete release of the Indemnified Party.

6.5 Disclaimer and Release

- 6.5.1 **Except as expressly provided in this Agreement and to the maximum extent permitted by any Applicable Law, the City gives no condition, warranty, undertaking or representation, implied or otherwise, in respect of the Services.**
- 6.5.2 **The remedies of the Parties set out in Sections 6.1 and 6.2 are exclusive and in substitution for, and each Party waives, releases and disclaims, all other warranties, obligations and liabilities of the other Party and all other remedies, rights and claims against the Party, express or implied, arising by law, statute or otherwise, with respect to the Services and any other items subject to, or related or associated with, this Agreement, including, any warranty of merchantability or fitness for a particular purpose; any warranty arising from course of performance, course of dealing or usage of trade; any obligation, liability, right, remedy or claim in tort, despite any fault, negligence, omission or strict liability of the City (whether active, passive or imputed); and any obligation, liability, remedy, right or claim for infringement.**

6.6 Continuing Obligation

The indemnities in this Article 6 are continuing and irrevocable and the obligations of a Party under this Agreement will not be released, discharged, impaired or affected by:

- 6.6.1 any extensions of time or variations of obligations which the Party may grant or permit in respect of the observance or performance of any of the obligations of the Party;
- 6.6.2 any waiver by or neglect or failure of the Party to enforce any of the terms, covenants and conditions in respect of this Agreement; or
- 6.6.3 any amendment to this Agreement.

ARTICLE 7 DISPUTE RESOLUTION

7.1 Disputes

All disputes, disagreements, controversies, questions or claims arising out of or relating to this Agreement, including, without limitation, with respect to its formation, execution, validity, application, interpretation, performance, breach, termination or enforcement (collectively, “**Disputes**”), will be determined in accordance with this Article 7, which sets out the exclusive procedure for the resolution of Disputes

7.2 Negotiation

- 7.2.1 The Parties will make, and participate in, good faith efforts to resolve any Dispute by negotiation. Each of the Parties will appoint a designated officer whose task it will be to meet for the purpose of endeavouring to resolve the Dispute. In the case of BPI, the designated officer will be the Chief Executive Officer and his or her designate and in the case of the City the designated officer will be the City Treasurer and his or her designate or the General Manager of Corporate Services and his or her designate. The designated officers will meet as often as the Parties reasonably deem necessary during the Negotiation Period in order to gather and furnish to each other Party all information with respect to the matter in issue which the Parties believe to be appropriate and germane in connection with its resolution. The specific format for those discussions will be left to the discretion of the designated officers but may include the preparation of agreed upon statements of fact or written statements of position furnished to each other Party.
- 7.2.2 The period for negotiation (the “**Negotiation Period**”) will begin on the day that the recipient receives the Dispute Notice and will end on the earlier of:
 - 7.2.2.1 the date that the designated officers conclude in good faith that amicable resolution through continued negotiation of the matter in issue is not likely to occur; or
 - 7.2.2.2 the fourteenth day after the first day of the Negotiation Period.
- 7.2.3 The negotiations and other settlement efforts of the Parties under Section 7.2 will, in all respects, be kept confidential and will be strictly without prejudice. All

information provided, documents disclosed or statements made in the course of those negotiations and settlement efforts, including, without limitation, any admission, view, suggestion, notice, response, discussion, position or settlement proposal, will be held in strictest confidence among the Parties and, unless otherwise discoverable, will not be subject to disclosure through discovery or any other process, and will not be relied upon by any Party and will not be admissible into evidence for any purpose, including impeaching credibility, in any subsequent proceeding except as required by law, or to enforce any settlement agreement reached between the Parties.

7.3 Optional Facilitated Negotiation

At the end of the Negotiation Period, if the Dispute is still not resolved, the Dispute will proceed to arbitration under Section 7.4 unless one Party (the "**Requesting Party**") requests a further specified period for facilitated negotiation (the "**Facilitated Negotiation Period**"). The Facilitated Negotiation Period will not exceed fourteen days from the date following the end of the Negotiation Period. Any Facilitated Negotiation Period will be chaired and administered by a sole facilitator (the "**Facilitator**"). The Requesting Party will provide the other Party (the "**Non-Requesting Party**") a list of three qualified persons to act as the Facilitator, and the Non-Requesting Party will choose a Facilitator from such list. The costs of the Facilitator will be borne equally by the Parties. The specific format for the negotiations during the Facilitated Negotiation Period will be left to the discretion of the Parties. The Facilitator will be provided with all materials exchanged between the Parties under Section 7.2. The provisions of Section 7.2.3 will apply *mutatis mutandis* to the negotiations and other settlement efforts of the Parties under this Section 7.3.

7.4 Arbitration

7.4.1 All Disputes not resolved pursuant to Section 7.2 or Section 7.3 will be determined by a sole arbitrator (the "**Arbitrator**") under the *Arbitration Act, 1991* (Ontario) (the "**Arbitration Act**"). In addition:

- 7.4.1.1 Section 7(2) of the Arbitration Act will not apply to the arbitration of a Dispute;
- 7.4.1.2 the Arbitrator will any person on whom the Parties can agree. If the Parties cannot agree, the Arbitrator will be appointed by a judge of the Superior Court of Justice of Ontario on the application of any Party on notice to the other Party. No individual will be appointed as Arbitrator unless he or she agrees in writing to be bound by the provisions of this Article 7;
- 7.4.1.3 the law of Ontario will apply to the substance of all Disputes;
- 7.4.1.4 the arbitration will take place in the City of Brantford unless otherwise agreed in writing by the Parties;
- 7.4.1.5 the language to be used in the arbitration will be English;

- 7.4.1.6 the Arbitrator, after giving the Parties an opportunity to be heard, will determine the procedures for the arbitration of the Dispute, provided that those procedures will include an opportunity for written submissions and responses to written submissions by or on behalf of all Parties, and may also include an opportunity for exchange of oral argument and any other procedures as the Arbitrator considers appropriate. However, if the Parties agree on a code of procedures or on specific matters of procedure, that agreement will be binding on the Arbitrator;
- 7.4.1.7 the Arbitrator will have the right to determine all questions of law and jurisdiction, including questions as to whether a Dispute is arbitrable, and will have the right to grant legal and equitable relief including permanent and interim injunctive relief, and final and interim damages awards. Subject to Section 7.4.1.10, Arbitrator will also have the discretion to award costs of the arbitration, including reasonable legal fees and expenses, reasonable experts' fees and expenses, reasonable witnesses' fees and expenses, and pre-award and post-award interest and costs, provided that the Arbitrator will not make an award of costs on a distributive basis;
- 7.4.1.8 the Parties intend, and will take all reasonable action necessary or desirable to ensure, that there be a speedy resolution to any Dispute, and the Arbitrator will conduct the arbitration of the Dispute with a view to making a determination and order as soon as possible;
- 7.4.1.9 the Parties desire that any arbitration should be conducted in strict confidence and that there will be no disclosure to any Person of the existence or any aspect of a Dispute except as is necessary for the resolution of the Dispute. Any proceedings before the Arbitrator will be attended only by those Persons whose presence, in the opinion of any Party or the Arbitrator, is reasonably necessary for the resolution of the Dispute. All matters relating to, all evidence presented to, all submissions made in the course of, and all documents produced in accordance with, an arbitration under this Article, as well as any arbitral award, will be kept confidential and will not be disclosed to any Person without the prior written consent of all the Parties except as required in connection with an application of a Party under Section 46 or Section 50 of the Arbitration Act, by Applicable Law, or by an order of an Arbitrator;
- 7.4.1.10 the fees of the Arbitrator will be paid equally by the Parties; and
- 7.4.1.11 subject to Section 44 of the Arbitration Act, the Arbitrator's determination of a Dispute will be final and binding and there will be no appeal of that determination on any ground.

7.5 Interim Relief

7.5.1 Prior to the appointment of the Arbitrator, the Parties may apply to the courts for interim relief.

7.5.2 At the request of either Party, the Arbitrator may take any interim measures that the Arbitrator considers necessary in respect of the Dispute, including measures for the preservation of assets, the conservation of goods or the sale of perishable goods. The Arbitrator may require security for the costs of those measures.

**ARTICLE 8
GENERAL PROVISIONS**

8.1 Notices

Any Communication must be in writing and either:

8.1.1 delivered personally or by courier;

8.1.2 sent by prepaid registered mail; or

8.1.3 transmitted by facsimile, e-mail or functionally equivalent electronic means of transmission, charges (if any) prepaid.

Any Communication must be sent to the intended recipient at its address as follows:

to The Corporation of the City of Brantford at:

City Hall
100 Wellington Square
P.O. Box 818
Brantford, Ontario
N3T 5R7

Attention: City Clerk
Tel No.: (519) 759 – 4150
Facsimile No.: (519) 759 – 7840

to Brantford Power Inc. at:

Brantford Power Inc.
84 Market Street
Brantford, Ontario N3T 5N8

Attention: CEO and President
Tel No.: (519) 751-3522 Ext. 3226

Facsimile No.: (519) 753-3369

or at any other address as any Party may at any time advise the others by Communication given or made in accordance with this Section 8.1. Any Communication delivered to the Party to whom it is addressed will be deemed to have been given or made and received on the day it is delivered at that Party's address, provided that if that day is not a Business Day then the Communication will be deemed to have been given or made and received on the next Business Day. Any Communication sent by prepaid registered mail will be deemed to have been given or made and received on the fifth Business Day after which it is mailed. If a strike or lockout of postal employees is then in effect, or generally known to be impending, every Communication must be delivered personally or by courier or transmitted by facsimile, e-mail or functionally equivalent electronic means of transmission. Any Communication transmitted by facsimile, e-mail or other functionally equivalent electronic means of transmission will be deemed to have been given or made and received on the day on which it is transmitted; but if the Communication is transmitted on a day which is not a Business Day or after 5:00 p.m. (local time of the recipient), the Communication will be deemed to have been given or made and received on the next Business Day.

8.2 Severability

Each Section of this Agreement is distinct and severable. If any Section of this Agreement, in whole or in part, is or becomes illegal, invalid, void, voidable or unenforceable in any jurisdiction by any court of competent jurisdiction, the illegality, invalidity or unenforceability of that Section, in whole or in part, will not affect:

- 8.2.1 the legality, validity or enforceability of the remaining Sections of this Agreement, in whole or in part; or
- 8.2.2 the legality, validity or enforceability of that Section, in whole or in part, in any other jurisdiction.

8.3 Submission to Jurisdiction

Without prejudice to the ability of any Party to enforce this Agreement in any other proper jurisdiction, each of the Parties irrevocably and unconditionally submits and attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario to determine all issues, whether at law or in equity, arising from this Agreement. To the extent permitted by Applicable Law, each of the Parties:

- 8.3.1 irrevocably waives any objection, including any claim of inconvenient forum, that it may now or in the future have to the venue of any legal proceeding arising out of or relating to this Agreement in the courts of that Province or that the subject matter of this Agreement may not be enforced in those courts;
- 8.3.2 irrevocably agrees not to seek, and waives any right to, judicial review by any court which may be called upon to enforce the judgment of the courts referred to in this Section 8.3, of the substantive merits of any suit, action or proceeding; and

8.3.3 to the extent a Party has or may acquire any immunity from the jurisdiction of any court or from any legal process, whether through service or notice, attachment before judgment, attachment in aid of execution, execution or otherwise, with respect to itself or its property, that Party irrevocably waives that immunity in respect of its obligations under this Agreement.

8.4 Amendment and Waiver

No amendment, discharge, modification, restatement, supplement, termination or waiver of this Agreement or any Section of this Agreement is binding unless it is in writing and executed by the Party to be bound. No waiver of, failure to exercise or delay in exercising, any Section of this Agreement constitutes a waiver of any other Section (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.

8.5 Further Assurances

Each Party will, at that Party's own cost and expense, execute and deliver any further agreements and documents and provide any further assurances, undertakings and information as may be reasonably required by the requesting Party to give effect to this Agreement and, without limiting the generality of this Section 8.5, will do or cause to be done all acts and things, execute and deliver or cause to be executed and delivered all agreements and documents and provide any assurances, undertakings and information as may be required at any time by all Governmental Authorities having jurisdiction over the affairs of a Party or as may be required at any time under Applicable Law.

8.6 Assignment and Enurement

Neither this Agreement nor any right or obligation under this Agreement may be assigned by any Party without the prior written consent of the other Parties. This Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns.

8.7 Survival

8.7.1 The indemnities set forth in Article 6 will survive and apply to any claim for indemnification that arose prior to the expiration of the Term or earlier termination of this Agreement in accordance with Section 2.3 (the "**Termination Date**"); provided that no any claim for indemnification may be made by any Party unless that claim is made within 2 years following the Termination Date.

8.7.2 Section 4.2.2 and Section 4.2.3 will survive the Termination Date and remain in full force and effect for a period of 2 years following the Termination Date.

8.8 Counterparts

This Agreement may be executed and delivered by the Parties in one or more counterparts, each of which will be an original, and each of which may be delivered by facsimile, e-mail or other

functionally equivalent electronic means of transmission, and those counterparts will together constitute one and the same instrument.

8.9 Electronic Signatures

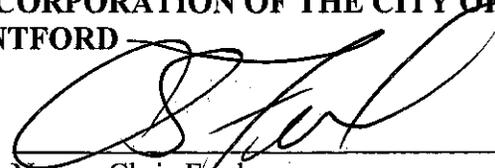
Delivery of this Agreement by facsimile, e-mail or other functionally equivalent electronic means of transmission constitutes valid and effective delivery.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of this Agreement.

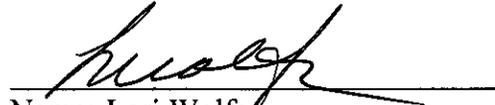
**THE CORPORATION OF THE CITY OF
BRANTFORD**

Per: _____



Name: Chris Friel
Title: Mayor

Per: _____



Name: Lori Wolfe
Title: City Clerk

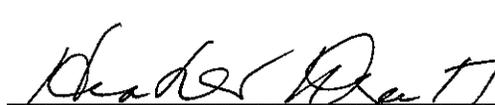
BRANTFORD POWER INC.

Per: _____



Name: Scott Saint
Title: Chair of the Board

Per: _____



Name: Heather Wyatt
Title: Corporate Secretary

**SCHEDULE A
DEFINED TERMS**

1. **Incorporation by Reference**

All capitalized terms used in this Schedule A and not defined have the meanings set forth in the Agreement.

2. **Defined Terms**

In this Schedule A, the following terms have the following meanings:

- (a) **"BPI Allocation"** at a particular time means, in respect of FAC Services, the percentage resulting from dividing the FAC Services provided by the City to BPI under the terms of the Agreement at such time by the aggregate FAC Services provided by the City to itself and/or its Affiliates, the whole as determined by the City from time to time.
- (b) **"CRA"** means the Canada Revenue Agency;
- (c) **"EI"** means the employment insurance program established under Canada's *Employment Insurance Act*;
- (d) **"EFT"** means the electronic exchange or transfer of funds between one or more bank accounts within a single financial institution or across multiple financial institutions;
- (e) **"EHT"** means the employer health tax levied under Ontario's *Employer Health Tax Act*;
- (f) **"FTE"** means a unit of measurement of the workload of an Employee on a scale from 0 to 1.0;
- (g) **"JD Edwards Financial System"** means Oracle's JD Edwards EnterpriseOne accounting software licensed to the City.
- (h) **"OMERS"** means the Ontario Municipal Employees Retirement System continued under the *Ontario Municipal Employees Retirement System Act, 2006*;
- (i) **"OHS"** means Ontario's *Occupational Health and Safety Act*; and
- (j) **"WSIB"** means Ontario's Workplace Safety and Insurance Board established under Ontario's *Workplace Safety and Insurance Act, 1997*.

**SCHEDULE A-1
ACCOUNTS PAYABLE**

1. **Full Description of Service**

The City will provide the following accounts payable services on a bi-weekly basis:

- (a) processing and reviewing of accounts payable batches to verify payee and signing authority levels;
- (b) posting accounts payable batches;
- (c) maintaining vendor files (set-up vendor profiles, addresses, EFT banking information);
- (d) responding to third party vendors with respect to inquiries made regarding invoice payment status;
- (e) tracing payments;
- (f) matching of source documents with cheque/electronic funds transfer copy; and
- (g) mailing cheques and sending electronic funds transfer payments.

2. **Service Standards**

Accounts payable will be processed in accordance with invoice terms if third party invoices are provided at least two weeks prior to their respective due dates. Cheque runs will be processed at least on a bi-weekly basis.

BPI will be required to use accounting software that will be fully compatible with the City's accounting software throughout the Term, as such accounting software may be updated or replaced by the City from time to time. The Parties acknowledge that the City uses the JD Edwards Financial System as its accounting software as of the date of the Agreement.

3. **Cost Driver**

Number of line items processed.

4. **Estimated BPI Allocation for the First Year in the Term**

BPI Allocation: 14.4%

5. **Theory or Formula used to determine Cost Driver**

(A / B)

Where:

- A = number of BPI line items processed; and
- B = total number of line items processed.

A discount rate of 25% will be applied to all line items that are partially processed by a department within the City prior to final processing by the City's Finance department.

6. **Total Estimated Cost of Service For the First Year of the Term**

Accounts Payable Processing	48,718
Direct out of pocket expenses:	As applicable
Special Projects	As determined by City on per project basis
Estimated Annual Costs	\$48,718

7. **Monthly Charge Calculation**

$$(A \times (B / C)) / D + E$$

Where:

- A = fully allocated accounts payable budget;
- B = BPI accounts payable lines processed;
- C = total accounts payable lines processed;
- D = 12; and
- E = direct out of pocket expenses, if any.

**SCHEDULE A-2
PAYROLL**

1. Full Description of Service

The City will provide payroll processing services on a bi-weekly, monthly, quarterly and annual basis.

- (a) On a bi-weekly basis, the City will:
 - (i) process BPI's payroll;
 - (ii) post all payroll charges for wages and benefits to BPI's general ledger;
 - (iii) prepare payroll remittances for various agencies and groups including unions, Governmental Authorities, OMERS, the United Way and social committees;
 - (iv) submit direct deposit files to BPI's bank;
 - (v) calculate all retroactive payroll payments;
 - (vi) prepare print files for direct deposits;
 - (vii) complete Service Canada's "Record of Employment" form for BPI Employees on an as needed basis;
 - (viii) correspond with various third parties in connection with payroll processing activities on an as needed basis, including employees, managers, timekeepers, Governmental Authorities and OMERS; and
 - (ix) work with human resources department to report all applicable employee terminations and leave periods to OMERS.
- (b) On a monthly basis, the City will process and submit monthly returns for EHT, WSIB and OMERS.
- (c) On a quarterly basis, the City will assist BPI in complying with certain regulatory requirements promulgated by OMERS with respect to its Employees who are designated as being on an unpaid leave of absence, offering the ability to make OMERS contributions in order to attempt to maximize such Employees' credited service for OMERS purposes.
- (d) On a yearly basis, the City will:
 - (i) calculate BPI's corporate salary and benefit budgets with information provided by BPI;
 - (ii) reconcile Manulife benefit billings to charges in BPI's general ledger;

- (iii) process and file T4s, T4As, T4ANRs on BPI's behalf with the Canada Revenue Agency;
- (iv) maintain current rate information from third party agencies, including Federal EI, WSIB, EHT, and OMERS;
- (v) complete and file OMERS Form 119s (Pension Records);
- (vi) work with third party actuaries on post retirement benefit information for RFP purposes and for the purposes of completing the applicable notes to BPI's annual financial statements;
- (vii) reconcile loans made to Employees in connection with information technology purchases; and
- (viii) prepare costing analysis during collective agreement negotiations.

2. **Service Standards**

Payroll services will be provided in accordance the standards set forth under Applicable Law and the regulations promulgated by applicable Governmental Authorities such as the Canada Revenue Agency, OMERS and WSIB.

BPI will be required to use accounting software that will be fully compatible with the City's accounting software throughout the Term, as such accounting software may be updated or replaced by the City from time to time. The Parties acknowledge that the City uses the JD Edwards Financial System as its accounting software as of the date of the Agreement.

3. **Cost Driver**

Yearly Average FTE.

4. **Estimated BPI Allocation for the First Year in the Term**

BPI Allocation: 4.08%

5. **Theory or Formula used to determine Cost Driver**

(A / B)

Where:

A = BPI yearly average FTE; and

B = total yearly average FTE.

6. **Total Estimated Cost of Service For the First Year of the Term**

Cost of Service	\$10,335
Special Projects	As determined by City on a per project basis
Direct out of pocket expense:	As applicable
Estimated Annual Costs	\$10,335

7. **Monthly Charge Calculation**

$$(A \times (B / C)) / D + E$$

Where:

- A = fully allocated payroll budget;
- B = BPI yearly average FTE;
- C = total yearly average FTE;
- D = 12; and
- E = direct out of pocket expenses, if any.

**SCHEDULE A-3
PURCHASING**

8. **Full Description of Service**

The City will provide purchasing/purchasing consulting services on an as requested basis in connection with the procurement of goods and services from third party vendors by BPI. The City will also assist BPI in developing a purchasing and procurement policy.

9. **Service Standards**

Services will be supplied on an as requested basis within a reasonable time frame.

10. **Cost Driver**

Time (measured in minutes).

11. **BPI Allocation**

Not applicable.

12. **Total Estimated Cost of Service For the First Year of the Term**

Estimated Hourly Charge out Rate	
Purchasing Manager	\$109
Purchasing Supervisor	\$83
Buyer(s)	\$66 - \$79

Direct out of pocket expenses	
Advertising	
Other fees if applicable	

13. **Monthly Charge Calculation**

$$(A / B) \times C + D$$

Where:

- A = fully allocated purchasing budget;
- B = standard working hours available;¹
- C = actual hours performed for BPI; and
- D = direct out of pocket expenses, if applicable.

¹ Standard working hours available are calculated as the total working hours for the year net of vacation, statutory holidays, sick time and other similar exclusions.

**SCHEDULE A-4
HUMAN RESOURCES**

1. **Full Description of Services**

- (a) The City will provide the following human resource administration services:
 - (i) Employee administration and benefits management; and
 - (ii) Benefits and pension enrollment and administration for new employees and retirees.
- (b) The City will provide the following health and safety services:
 - (i) health and safety related advice and guidance will be provided in connection with:
 - (A) OHS compliance;
 - (B) the operations of the Joint Health and Safety Committee;
 - (C) accident investigations and investigations required under OHS; and
 - (D) health, safety and workplace harassment training.
 - (ii) WSIB claims management and administration, including accommodated and modified work programs; and
 - (iii) non-occupational absence management and attendance support.
- (c) The City will provide the following employment and labour relations services:
 - (i) labour relations management including collective agreement administration, dispute resolution and negotiation; employment services including preparation of job descriptions and job evaluations, recruitment services, interviewing and candidate selection;
 - (ii) salary administration and pay equity analysis and administration; and
 - (iii) Employee orientation, including code of conduct and accessibility awareness training.

2. **Service Standards**

Services will be provided to standards in accordance with Applicable Law, City policy and any applicable standards set forth collective bargaining agreements between BPI and its Employees, where applicable.

3. **Cost Driver**

Service	Cost Driver
Human Resources Administration/ Health & Safety	Yearly Average FTE
Employment Services & Labour Relations	Time (minutes)
Special Projects	As determined by the City on a per project basis

4. **Estimated BPI Allocation for the First Year in the Term**

BPI Allocation	Cost Driver
BPI Allocation: Human Resources Administration	4.08%
Employment Services & Labour Relations	Not Applicable

5. **Theory or Formula used to determine Cost Driver**

Yearly Average FTE:

A / B

Where:

A = yearly average BPI FTE; and

B = total yearly average FTE.

6. **Total Estimated Cost of Service**

Human Resources Administration Health & Safety	\$39,639
Employment Services & Labour Relations	\$77 - \$84 /hour
Special Projects	As determined by the City on a per project basis

Direct out of pocket expenses
Consulting
Advertising
Professional Services
Surveys
Recruitment & Testing

7. **Monthly Charge Calculation**

(a) Human Resources Administration and Health and Safety Services:

$$(A \times (B / C)) / (D) + E$$

Where:

A = fully allocated human resource administration and health and safety budgets;

B = BPI yearly average FTE;

C = total yearly average FTE;

D = 12; and

E = actual direct expenses, if applicable.

(b) Employment and Labour Relations Services:

$$(A \times (B / C)) / D + E$$

Where:

A = fully allocated Employment and Labour Relations budget;

B = BPI yearly average FTE;

C = total yearly average FTE;

D = 12; and

E = actual direct expenses , if applicable.

SCHEDULE A-5
INFORMATION TECHNOLOGY SERVICES

1. **Full Description of Service**

- (a) The City will provide the following services:
 - (i) installing and maintaining all hardware, software and licenses;
 - (ii) providing support for all hardware, software and licenses;
 - (iii) providing, maintaining and support all networks, e-mail and internet services; and
 - (iv) providing network security.
- (b) The City will work on special projects from time to time including systems development and web development and maintenance as discussed and agreed upon.

2. **Service Standards**

- (a) Hardware, software and database communications will be available on a 24 hour basis.
- (b) Response times to problem reporting will be handled as follows:
 - (i) an information technology support technician will respond within one Business Day for systems communications failures which causes one Employee to be unable to carry out his or her main job functions.
 - (ii) an information technology support technician will log and prioritize all problems other than those set forth in Section 2(b)(i) and such problems will be dealt with in such priority order.
- (c) Programming requests will be handled as follows:
 - (i) all programming requests that are submitted to information technology support will be logged and prioritized;
 - (ii) small requests are handled on a combined priority and first-in-first-out basis; and
 - (iii) large requests will be prioritized and scheduled after discussion with BPI management and City Business Solutions Manager.
- (d) New Hardware Purchases will be handled as follows:

- (i) Hardware will be purchased twice a year, once in the spring and again in the fall.
- (ii) Desktop personal computers and laptops will be replaced every three years in connection with a purchase made pursuant to paragraph 2(d)(i) above.

3. **Cost Driver**

Service	Cost Driver
Information Technology Administrative Services ²	Core Network Services - % of Network Users³
	JD Edward Services - % of JD Edwards Users
	Manager of Business Solutions – Estimated Time
Information Systems Brantford Power	Total Expenses
Web Development and Maintenance	Hourly Charge out rate
Special projects including systems development	Estimated cost of the project determined on a per project basis

4. **Estimated BPI Allocation for the First Year in the Term**

Service	BPI Allocation
Information Technology Administrative Services	Core Network Services – 9%
	JD Edward Services - 6%
	Manager of Business Solutions – 25%
Information Systems Brantford Power	100%
Web Development and Maintenance	Not Applicable
Special projects including systems development	Not Applicable

5. **Theory or Formula used to determine Cost Driver**

- (a) Information Technology Administrative Services – Core Network Services

(A / B)

Where:

A = number of BPI network users; and

² Each expense in the information technology budget will have a different cost driver depending on which service the expense relates to, i.e., core network services, JD Edwards Services, Manager of Business Solutions based on estimated time.

³ Core services includes network and internet access as well as programs used by the majority of network users.

B = total number of network users.

(b) Information Technology Administrative Services – JD Edwards Financial System

(A / B)

Where:

A = number of BPI JD Edwards Financial System users; and

B = total number of JD Edwards Financial System users.

(c) Information Technology Administrative Services – Manager of Business Solutions

(A / B)

Where:

A = number of hours spent on BPI tasks; and

B = total number of Manager of Business Solutions hours; and

(d) Website Development and Maintenance

(A / B)

Where:

A = fully allocated Web Development and Maintenance budget information; and

B = standard working hours available.⁴

6. **Total Estimated Cost of Service**

Information Technology Administrative Services	\$328,899
Information Systems Brantford Power	\$582,801
Web Development and Maintenance	As determined by the City on a per project basis
Special Projects	As determined by the City on a per project basis
Estimated Annual Costs	\$911,700

⁴ Standard working hours available are calculated as the total working hours for the year net of vacation, statutory holidays, sick time and other similar exclusions.

7. **Monthly Charge Calculation**

- (a) Information Technology Administrative Services:

$$(A \times B) + (C \times D) + ((E \times (F / G))$$

Where:

- A = core network services expenses;⁵
B = BPI percentage of the number of total network users;
C = JD Edwards Service expenses;⁶
D = BPI percentage of the number of total JD Edwards users;
E = budgeted salary and benefits for Manager of Business Solutions;
F = estimated number of hours spent on BPI by the Manager of Business Solutions; and
G = total number of Manager of Business Solutions hours.

- (b) Web Development and Maintenance:

$$A \times B$$

Where:

- A = hourly charge-out rate⁷; and
B = actual hours performed for BPI.

- (c) All direct expenses (including Information Technology staff expenses) related to BPI will be invoiced to BPI.

⁵ All expenses are based on fully allocated budget costs.

⁶ All expenses are based on fully allocated budget costs.

⁷ Fully allocated budgeted expenses for Website Development and Maintenance staff will be used to calculate hourly charge out rates.

**SCHEDULE A-6
LEGAL AND REAL ESTATE SERVICES**

1. Full Description of Service

- (a) The City will provide the following legal services:
 - (i) basic legal representation and advice only;
 - (ii) in-house legal representation and advice to municipal departments which perform hydro services, whether directly or indirectly; and
 - (iii) perform searches of public registries.
- (b) The City will provide the following real estate services:
 - (i) estimate value, obtain appraisals, declare surplus, negotiate, receive appropriate approvals and ensure closings for any required purchases on fee simple or easements;
 - (ii) negotiate the sale of any surplus properties through tender or listing; and
 - (iii) perform searches of public registries and make registrations.

2. Service Standards

Basic legal services will be provided consistent with a small in-house legal department on an as-needed basis. Matters which can be resolved quickly and require a minimum of research will be handled entirely in-house.

3. Cost Driver

Time (measured in minutes).

4. BPI Allocation

Not Applicable.

5. Estimated Hourly Charge-out Rate

Director of Legal & Real Estate Services	\$149
Lawyer	\$98 - 109
Manager of Real Estate	\$106
Law Clerk	\$80

Direct out of pocket expenses
Consultation fees
Fees for Searches

Electronic Services
Registration fees

6. **Monthly Charge Calculation**

Charge-out rate:

$$(A / B) \times C + D$$

Where:

- A = fully allocated legal and real estate budget;
- B = Standard working hours available;⁸
- C = actual hours performed for BPI; and
- D = direct out of pocket expenses if applicable.

⁸ Standard working hours available are calculated as the total working hours for the year net of vacation, statutory holidays, sick time and other similar exclusions.

**SCHEDULE A-7
MAILRUN**

1. **Full Description of Service**

The City will perform the following mailrun services:

- (a) twice weekly courier run from City Hall to 84 Market Street, 84 Market to 220 Colborne and 220 Colborne Street to City Hall; and
- (b) sorting, delivery and pick up of interoffice and incoming/outgoing mail.

2. **Service Standards**

Twice weekly pick up and drop off. The twice weekly courier run is for regular office mail and interoffice mail and does not include the pickup of customer service billings.

3. **Cost Driver**

Market.

4. **BPI Allocation**

Not Applicable.

5. **Theory or Formula used to determine Cost Driver**

Not applicable

6. **Monthly Charge Calculation**

A x B

Where:

A = \$40; and

B = number of days.

**SCHEDULE A-8
POSTAGE SERVICE**

1. **Description of Service**

The City will process and stamp all outgoing mail with the required amount of postage.

2. **Service Standards**

Outgoing mail will be stamped and mailed daily.

3. **Cost Driver**

Pieces of outgoing mail.

4. **BPI Allocation**

Not Applicable.

5. **Theory or Formula used to determine Cost Driver**

A / B

Where:

A = fully allocated postage budget; and

B = total number of outgoing pieces of mail.

6. **Estimated Cost of Service for the first year**

Cost per piece of mail (excluding cost of postage)	\$0.14
----------------------------------------------------	---------------

7. **Monthly Charge Calculation**

(a) Cost of postage: actual cost of postage for BPI Postage cost will include 50% of customer service postage cost until utility bills are split and mail can be divided.

(b) Handling charge:

$A \times (B / C)$

Where:

- A = number of pieces of outgoing BPI mail;⁹
B = fully allocated postage budget; and
C = total number of outgoing pieces of mail.

⁹ Number of pieces of mail will include 50% of customer service until utility bills are split and mail can be divided.

**SCHEDULE A-9
TELEPHONE SERVICE**

1. **Full Description of Service**

The City will perform the following services with respect to telephone lines within the city trunk service:

- (a) handle inquiries regarding telephone bills;
- (b) arrange for service on telephone lines;
- (c) provide switchboard service; and
- (d) process administrative changes to telephone system (e.g., adding and deleting telephone extensions for lines within the trunk service).

The following phone numbers will be included in City trunk service: all extensions under 759-4150 (353 extensions) and all BPI telephone numbers as listed; 750-0053, 751-2144, 752-1631, 753-2649, 753-6130, 753-7402, 753-8143, 753-9668, 759-6177, 753-4788 and 753-9206.

2. **Service Standards**

A fully functional telephone system with voice mail will be provided including system support and repair. The telephone system will be administered by the City Clerk's Division of the Corporate Services Department of the City for all trunk lines only. Brantford Power will service all lines not included in the city trunk lines.

3. **Cost Driver**

Number of telephone lines.

4. **Estimated BPI Allocation for the First Year in the Term**

BPI Allocation: 15.11%

5. **Theory or Formula used to determine Cost Driver**

A / B

Where:

- A = number of BPI telephone lines; and
- B = total number of telephone lines.

6. **Estimated Cost of Service for the first year**

Estimated Cost of Service	\$16,124
Special Projects	As determined by the City on a per project basis
Direct out of pocket expense:	
Cost of BPI Lines (excluding 759-4150)	To be determined by the City
Cost of BPI R&M for numbers as listed above (excluding 759-4150)	To be determined by the City

7. **Monthly Charge Calculation**

(a) Telephone Management:

$$((A \times B \times (C/D))) / E$$

Where:

- A = Estimated annual time spent on telephone management
- B = fully allocated salary and benefits budget for telephone coordinator;
- C = number of BPI telephone trunk lines;
- D = total number of telephone trunk lines; and
- E = 12.

(b) Switchboard:

$$(A \times (B/C)) / D$$

Where:

- A = fully allocated City Hall Switchboard receptionist salary and benefits budget;
- B = average number of BPI switchboard phone calls;
- C = total number of switchboard calls; and
- D = 12.

(c) Telephone Trunk Line Costs:

$$(A \times (B/C)) + D$$

Where:

- A = actual switchboard line costs;
- B = number of BPI telephone extensions;
- C = total number of extensions; and
- D = actual BPI long distance costs.

(d) Telephone Maintenance & Repair Fee:

$$(A \times (B/C)) + D$$

Where:

- A = actual maintenance fees;
- B = number of BPI telephone trunk lines;
- C = total number of telephone trunk lines; and
- D = actual direct costs, if applicable.

**SCHEDULE A-10
INSURANCE AND RISK MANAGEMENT**

1. **Full Description of Service**

The City perform the following insurance related services on behalf of BPI:

- (a) placement and management of general comprehensive liability insurance (including directors and officers insurance), property insurance and vehicle insurance;
- (b) claims administration and adjusting services;
- (c) assistance in developing risk management procedures; and
- (d) advice on contractual arrangements.

2. **Service Standards**

- (a) Liability and property insurance will be obtained with the level of coverage to be determined by BPI's board of directors. The City Clerk shall provide in consultation with the Insurance Department advice and assistance to BPI's board of directors in connection with such policy limits. Claims administration will be undertaken by the City Clerk. Adjusting services for claims will be provided as necessary. The City will provide updates on matters of risk management, events, and occurrences to BPI.
- (b) The City will be named as an additional insured on all insurance policies where such coverage is available

3. **Cost Driver**

Percentage of insurance premiums.

4. **Estimated BPI Allocation for the First Year in the Term**

BPI Allocation: 6.15%

5. **Theory or Formula used to determine Cost Driver**

(A/B)

Where:

A = BPI insurance premiums;

B = total insurance premiums;¹⁰

6. **Estimated Cost of Service for first year**

Estimated Cost of Service		\$15,654
Special Projects		As determined by the City on a per project basis
Direct out of pocket expense:		
Estimated BPI Insurance Premium	\$125,713	
Mearie Conference (2012 costs)	\$1,766	\$127,479
Estimated Annual Costs		\$143,133

7. **Monthly Charge Calculation**

$$(A \times (B/C)) / D + E$$

Where:

- A = fully allocated insurance and risk management budget;
- B = BPI insurance premiums;
- C = total insurance premiums;
- D = 12; and
- E = direct out of pocket expenses, if applicable.

¹⁰ The insurance budget will be written on a true risk formula which will not include any premiums credits and/or rebates which may be applied to a particular policy. No adjustments will be made due to retroactive assessments or supplemental premium adjustments.

**SCHEDULE A-11
RECORDS MANAGEMENT**

1. Full Description of Service

The City will provide the following records management services:

- (a) maintain file plans and retention schedules;
- (b) transfer, retrieve and destroy inactive records;
- (c) records delivery and pick-up;
- (d) records management training on versatile software; and
- (e) production of reports for records management as required.

2. Service Standards

All requests will be completed in order of priority. BPI is responsible to provide its own banker boxes.

3. Cost Driver

Market price.

4. BPI Allocation

Not Applicable.

5. Theory or Formula used to determine Cost Driver

Not applicable

6. Estimated Cost of Service for the first year

Pricing Schedule	
Storage	\$.25/cubic feet / month
Transfers	\$2.42/box, \$3.45/file
Retrievals	\$2.42/box, \$3.45/file
Refiles	\$2.42/box, \$3.45/file
Destructions	\$2.42/box(picking fee) + \$5.00 (actual cost of shredding)

Delivery/pickup	\$16.50 first box \$2.75/each additional box
Special Project	As determined by the City on a per project basis

Total Cost of Service Based on current boxes in storage:		
BPI occupies 14 bays	x 100 boxes	= 1,400 boxes
Each box is 1.20 cubic feet		
Total Boxes	1,400	
x 1.20 cubic feet	1,680	
x \$0.25 cubic feet/month	\$420	
Total Estimated Yearly Storage Costs	\$5,040	

7. **Monthly Charge Calculation**

(a) Cost of Transfers, Retrievals and Destructions

A x B

Where:

A = actual number of files or boxes; and

B = cost as per pricing schedule.

(b) Cost of Storage

A x B

Where:

A = estimated number of cubic feet; and

B = cost as per pricing schedule.

SCHEDULE A-12
FACILITY ASSET MANAGEMENT (PROPERTY MANAGEMENT)

1. **Full Description of Service**

The City will provide all aspects of property management relating to 84 Market St, 220 Colborne Street and 400 Grand River Ave, including janitorial, elevator, mechanical, electrical, plumbing, security systems, window cleaning, mats, pest control, life safety, fire plans, parking lot maintenance, snow removal, landscaping and general maintenance and repairs, handling legislative inspections and condition assessments.

2. **Service Standards**

- (a) Services will be available during normal City corporate operating hours and will be available for emergency or urgent situations.
- (b) Maintain the physical buildings, grounds and common areas to the current standards for a Class B building.
- (c) Leasehold improvements by the tenant are the sole responsibility of the tenant. All work undertaken by the tenant requires the approval of the City.
- (d) Telephone and information technology services do not form part of property management services.
- (e) BPI will remain responsible at all times for any loss and/or damage caused by it or its invitees.

3. **Cost Driver**

Administration - Estimated percentage of time spent on BPI occupied property.

Repair & Maintenance: Square footage of BPI occupied property.

4. **Estimated BPI Allocation for the First Year in the Term**

BPI Allocation: 2.52%

5. **Theory or Formula used to determine Cost Driver**

(a) Administration

(A / B)

Where:

A = estimated time spent on BPI occupied property; and
B = total time.

(b) Repairs and Maintenance

(A / B)

Where

A = BPI Square footage of occupied property; and

B = total square footage of property.

6. **Estimated Cost of Service for the first year**

Property Address	Property Management Admin	2012 Budget R & M	Total
84 Market Street	\$10,227	\$66,508	\$76,735
400 Grand River Ave	\$7,523	\$105,307	\$112,830
220 Colborne Street	\$1,899	\$8,114	\$10,013
Special Projects			As determined by the City on a per project basis
Total Cost of Service	\$19,649	\$ 179,929	\$199,578

7. **Monthly Charge Calculation**

(a) Administration:

$(A \times (B/C)) / D$

Where:

A = fully allocated property management administration budget;

B = estimated time spent on BPI occupied property;

C = total time; and

$$D = 12.$$

(b) Repairs and Maintenance:

$$(A \times (B/C) + D)$$

Where:

- A = actual expenses;
- B = BPI square foot occupied;
- C = total square footage; and
- D = actual direct costs, if applicable.

**SCHEDULE A-13
RENTAL OF FACILITIES - OFFICE SPACE**

1. **General Terms of Tenancy**

- (a) The City will provide office space for Brantford Power staff.
- (b) Annual rent payment includes owner related capital and property taxes.
- (c) Leasehold improvements by the tenant are the sole responsibility of the tenant, all work undertaken by the tenant is to be approved by the Facilities Management Department.
- (d) General repair and maintenance, utilities and contracted services of the building is billed based on actual costs - refer to Facility Asset Management section for charges related to these buildings.

2. **Service Standards**

Maintain the building to the current standards for a Class B building.

3. **Cost Driver**

Market.

4. **Estimated BPI Allocation for the first year**

220 Colborne Street: 2,676.74 sq ft or 2.5%

84 Market Street: 8618 sq ft or 38.6%

5. **Theory or Formula used to determine Cost Driver**

Not applicable.

6. **Estimated Cost of Service for the first year**

Property Address	Sq ft	Rent per sq ft	Annual Rent
220 Colborne Street	2,676.74	\$12.00	\$32,121
84 Market Street	8,618	\$12.00	\$103,416
Total Rent - Office Space			\$ 135,537

7. **Monthly Charge Calculation**

Rent:

$(A \times B)$

Where:

A = Rent per square foot; and

B = square feet occupied by BPI.

SCHEDULE A-14
RENTAL OF FACILITIES - OFFICE/WAREHOUSE/VEHICLE STORAGE

1. **General Terms of Tenancy**

- (a) Description of Facility: Warehouse Vehicle Storage Facility with drive through vehicle storage with multiple drive in doors at both ends of facility, high ceilings, sloped floors with drains.
- (b) Office space with warehouse finished office area with HVAC system.
- (c) Warehouse Storage Area with, 12' clear ceiling height.
- (d) Outside storage with designated asphalt surfaced area for outside storage.
- (e) General repair and maintenance, utilities and contracted services of the building will be billed based on actual costs; refer to Facility Asset Management section for charges related to these buildings.
- (f) Leasehold improvements by the tenant are the sole responsibility of the tenant, all work undertaken by the tenant is to be approved by the Facilities Management Department.

2. **Service Standards**

Maintain the building to the current standards for a Class B building.

3. **Cost Driver**

Market.

4. **BPI Allocation**

Not Applicable.

5. **Theory or Formula used to determine Cost Driver**

Market

6. **Estimated Cost of Service for the first year**

400 Grand River Ave.	Sq ft	Rent per sq ft	Annual Rent
Warehouse Vehicle Storage facility	11,288	\$5.50	\$62,084
Office Area	828	\$8.00	\$6,624

Warehouse Storage Area	7,350	\$3.50	\$25,725
Outside Storage	112,000	\$0.50	\$56,000
Total Rent			\$150,433
Property Taxes			\$52,500
Grand Total			\$202,933

7. **Monthly Charge Calculation**

Rent:

$$(A \times B) + C$$

Where:

- A = Rent per square foot;
- B = square feet occupied by BPI; and
- C = property taxes, if applicable.

**SCHEDULE A-15
TREE TRIMMING**

1. Full Description of Service

The City will perform the following tree trimming services:

- (a) create tree trimming grid and schedule of yearly tree trimming requirements;
- (b) schedule and coordinate daily tree trimming requirements with third party contractors;
- (c) answer incoming calls of tree trimming requests;
- (d) schedule and coordinate emergency work as required; and
- (e) visit work locations and assess trees.

2. Service Standards

The City will provide tree trimming services in accordance with Applicable Law, City policy and purchasing agreements with third party contractors.

3. Cost Driver

Percentage of annual BPI work orders.

4. Estimated BPI Allocation for the First Year in the Term

BPI Allocation: 48%

5. Theory or Formula used to determine Cost Driver

(A / B)

Where:

A = annual number of BPI related work orders; and

B = total number of annual work orders.

6. Estimated Cost of Service for the first year

Tree Trimming Service	\$94,909
Direct Out of Pocket:	
Estimated Tipping fees	\$500
Estimated Contracted Services	\$377,000
Special Projects	As determined by the

	City on a per project basis
Total	\$472,409

7. **Monthly Charge Calculation**

$$(A \times (B/C)) / D + E$$

Where:

- A = fully allocated tree maintenance budget;
- B = number of annual BPI related work orders;
- C = number of total annual work orders;
- D = 12; and
- E = direct out of pocket expenses.

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Brantford Power Inc.

EB-2016-0058

Exhibit 4

Attachment 4-C

Filed: May 4, 2016

Attachment 4-C

Purchasing Policy

**BRANTFORD POWER INC.
POLICY 1 -- PURCHASING**



DATE APPROVED: SEPTEMBER 27, 2012

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CHAPTER 1

INTERPRETATION

1.01 Statement of Principle

In acquiring goods and services for Brantford Power Inc. ("BPI"), BPI requires processes to ensure that operating departments will receive the goods and services they require in sufficient quality and quantity for their needs, acquired with integrity, fairness, equality, and transparency through efficient means that produce prudently incurred costs for the ratepayer.

BPI has determined as a matter of policy that the prudently incurred costs for the ratepayer is most often received when competitive acquisition processes are used. For that reason, competitive acquisition will be the general rule and will be departed from only in accordance with specific exceptions set forth in this policy.

1.02 Goals of the Policy

The goals of the Purchasing Policy are as follows:

- (a) To ensure accountability and transparency while protecting the financial best interest of BPI;
- (b) To encourage competitive bidding for the acquisition and disposal of goods and services where practicable;
- (c) To ensure fair treatment and respectful business practice to all bidders;
- (d) To obtain efficiencies where possible by maximizing buying power through economies of scale and participating in cooperative buying groups.

1.03 Application of Policy

- (a) All BPI departments and officials shall acquire goods and services in accordance with this Policy and not otherwise. No member of BPI's Board or any BPI employee shall have the right to acquire goods and services or to otherwise bind BPI in respect of the acquisition of goods and services, except in accordance with this Policy.
- (b) This Policy shall apply to the acquisition of all goods and services by BPI, except for the exemptions set forth in Schedule 1. The acquisition of the goods and services listed and described in Schedule 1 shall not be subject to the requirements of this Policy, but may be subject to other policies or requirements enacted from time to time by BPI's Board of Directors.

1.04 Incorporation of Policy into Solicitations

The requirements of this Policy shall be incorporated by reference into all solicitations for goods and services acquired by the BPI.

1.05 Delegation

Where authority is given to the BPI CEO, any Director, or any other position, pursuant to this policy, such authority may be delegated to subordinate staff on such terms as the BPI CEO, applicable Director or other position, as the case may be, shall consider reasonable in the circumstances.

1.06 Definitions

In this Policy,

“Affiliates” means affiliates within the meaning of the Business Corporations Act (Ontario).

“Acquisition,” “Procurement,” “Buy,” and “Purchase” also include obtaining the use of goods and/or services by lease, rental, and other temporary methods.

“Award” means authorization to proceed with the purchase of goods and/or services from a chosen vendor.

“Department Staff” or “Operating Department Staff” means staff of any BPI department for which goods and services are being acquired.

“Emergency” means an urgent situation that could result in serious harm to persons, substantial damage to property, or substantial interference with BPI operations. An emergency shall only be deemed to exist if:

- (a) The municipal Council determines that an emergency exists; or,
- (b) BPI CEO determines that an emergency exists; or
- (c) The applicable Director determines that an emergency exists.

“Engineering Works” means agreements with contractors under which the contractor shall perform construction or reconstruction of roads, sewers, water works, flood control works, and bridges.

“Estimated Value of Goods and Services” means the estimated amount (excluding taxes) for budget or planning purposes in acquiring particular goods and services, which amount may be higher, lower or equal to the actual cost of the goods and services when ultimately acquired. For greater certainty, when multi-year contracts are awarded for the acquisition of goods and services, the estimated value of the goods and services for such multi-year contracts is the estimated amount to be paid for the goods and services over the entire contract, and is not limited to the amount which may be payable in any particular budget year.

“Goods” means all manner of personal property, goods, equipment, things, and rights.

“High Value” means high value within the meaning of Table One.

“Human Resources Staff” means those persons engaged by the service provider to provide human resources services set out in the shared services agreement between BPI and the City of Brantford

“Informal Procurement” means procurement in which there are minimal procedural requirements, and without limiting the generality of the foregoing, includes procurement in which there is no requirement to obtain competitive pricing.

“Low Value” means low value within the meaning of Table One.

“Lowest overall cost” means the cost of acquiring goods and services after the evaluation factors set forth in the Solicitation are taken into account. Such factors may include price, quality, life cycle costs and all other terms, conditions, and circumstances of the acquisition.

“Lowest Responsive Submission” means a submission in response to a solicitation which includes all required components and which shows the lowest overall cost when all evaluation factors contained in the solicitation are taken into account.

“Medium Value” means medium value within the meaning of Table One.

“Non-competitive Acquisition” means procurement which does not include any competitive process, and without limiting the generality of the foregoing, includes procurement through negotiation, sole sourcing, and single sourcing.

“Option to Buy” means the right to acquire goods upon stated terms, most often but not exclusively encountered in the context of rental, lease (but not a financing lease), or hire-purchase agreements. The exercise of an option to extend a contract for the acquisition of goods and services shall also be deemed to be the exercise of an option to buy, but only if the option to extend formed part of the original contract as awarded.

“Pre-approved Solicitation” means any solicitation implementing a project, acquisition of goods and services, or other undertaking which has been classified as a pre-approved solicitation, project, acquisition of goods and services, or other undertaking by BPI’s Board of Directors through Resolution following a report from the applicable department describing the proposed solicitation, project, acquisition of goods and services or other undertaking. The Purchasing Officer shall determine in his or her discretion whether or not any proposed solicitation matches the identification and description in the applicable Board Resolution.

“Prequalification Process” means a solicitation process in which detailed written submissions describing attributes such as experience, financial strength, education, or background, or other pertinent considerations are solicited in a Request for Prequalification.

“Procedures” means procedures developed by the Purchasing Officer pursuant to Articles 2.08(c) (*Best Practices for the Disposal of Goods and Equipment*), 3.04(a) (*Best Purchasing and Acquisition Practices*), 5.03(a) (*Best Purchasing and Acquisition Practices for the Solicitation of Consulting Services*), and 6.03(a) (*Best Practices for the Documentation of past Failures of Vendors to provide appropriate Performance*).

“Purchasing Officer” means the person so designated by the service provider as set out in the shared services agreement between BPI and the City of Brantford;

“Purchasing Department Staff” means those persons engaged by the service provider to provide purchasing services as set out under the shared services agreement between BPI and the City of Brantford

“Pursuing litigation” means actually commencing and/or continuing a judicial proceeding.

“Responsive” means, when applied to a submission, that the submission contains each and every element required by the solicitation for the submission, and otherwise fully complies with the requirements of the solicitation.

“Request for Expressions of Interest” means a general market research tool to determine vendor interest in a proposed procurement. It is used prior to issuing another solicitation and is not intended to result in the award of a contract.

“Request for Proposals” means a competitive procurement process for obtaining unique proposals designed to meet terms of reference.

“Request for Quotations” means a competitive procurement process for obtaining bids based on defined requirements for which fixed or calculated price will be paid.

“Request for Tenders” means a competitive procurement process for obtaining defined requirements for which a clear or single solution exists.

“Services” means any and all services, and includes construction services.

“Shared Services” being services that are shared between the City of Brantford and BPI and set out in the shared services agreement between BPI and the City of Brantford

“Single Sourcing” means the procurement of a good or service from a particular vendor rather than through the solicitation of bids from other vendors who can provide the same item.

“Sole Sourcing” means the procurement of a good or service that is unique to a particular vendor and cannot be obtained from another source.

“Solicitation” means any and all forms of solicitation for goods and services by BPI, including but not limited to requests for tenders, requests for quotations, requests for proposals, requests for prequalification, requests for information, and requests for expressions of interest.

“Solicitor” means that person or those persons engaged by the service provider to provide legal services as set out in the shared services agreement between BPI and the City of Brantford

“Submission” means any and all offers, bids, or other responses to a solicitation by BPI.

“Surplus” means goods belonging to BPI of Brantford which, through obsolescence or other causes, no longer serve any useful purpose to the operating department of BPI in which the goods were used.

“Table One” means the Table One entitled “Methods through which Goods and Services may be Acquired” within Section 3.01 of this Policy.

"Threatening litigation" means transmitting a written threat to commence a judicial proceeding

“Two Envelope Method” means a procurement process in which a submission is submitted into two separate envelopes. The technical and qualitative information are submitted in the first envelope and the price information is provided in the second envelope. The second envelope is opened only if the first envelope shows the bidder to be qualified.

“Vendor” means a seller or supplier of goods and/or services.

“Working Days” means days on which the main offices of BPI are open for business.

"Unsolicited Proposal" means an offer to supply goods or services to BPI that has not been preceded by the issuance of a solicitation by BPI.

CHAPTER 2 **GENERAL MATTERS**

2.01 No Local Preference

- (a) Except as set forth in (b) and (c), no local preference shall be shown or taken into account in acquiring goods and services on behalf of BPI.
- (b) Where there are two responses to a solicitation for goods or services, which after evaluation appear equal in all respects, a local preference may be shown for the sole purpose of breaking the tie. In such circumstances, the “local” Vendor shall be deemed to be the Vendor whose business premises shall have the nearest geographical proximity to the point of delivery of the goods and services. For purposes of the foregoing, “business premises” mean the business premises from which the goods and services shall be supplied.
- (c) Despite (a), a local preference may be shown when the intrinsic nature of the acquisition necessitates a local preference

2.02 Co-operative Purchasing Arrangements

- (a) The Purchasing Officer, in consultation with BPI staff, may make cooperative purchasing arrangements with other local distribution companies, consortia of local distribution companies or similar utility providers or other public cooperatives or consortia under which particular varieties of goods and services may be acquired by BPI in conjunction with such other local distribution companies, consortia of local distribution companies or similar utility providers or other public cooperatives or consortia at a lower overall cost than they might otherwise achieve were they to proceed independently.
- (b) Because the cooperative arrangements may require the cooperation of multiple organizations with differing purchasing procedures, deviations from the requirements of this Policy are permitted in such cooperative arrangements provided that the principles set forth in Chapter 1 are fully respected.
- (c) Where cooperative purchasing arrangements have been effected cooperative purchasing arrangements in accordance with this section, operating departments shall acquire the particular varieties of goods and services in accordance with such cooperative arrangements and not otherwise. The Purchasing Officer shall be permitted to authorize exceptions from the foregoing in extenuating circumstances.

2.03 General Supply Contracts

- (a) Where the Purchasing Officer in consultation with the BPI CEO or his/her designate perceives continuing common needs for particular goods and services for shared services, he or she may issue solicitations for the general supply of the needs of all departments of the municipality and BPI for such particular goods and services.

- (b) Where a contract for the general supply of the needs of shared services for particular goods and services has been awarded in accordance with (a) above, operating departments shall acquire the particular varieties of goods and services in accordance with such cooperative arrangements and not otherwise. The Purchasing Officer shall be permitted to authorize exceptions from the foregoing in extenuating circumstances.

2.04 General Ability of the Board of Directors to overrule Procedural Requirements

- (a) The BPI Board of Directors may overrule any requirement of this policy on a transaction-specific basis through resolution.
- (b) The elimination of any requirement of this policy on a general or continuing basis must be approved through Board resolution, which amends this Policy.

2.05 Forms, Contracts and Documents

- (a) The Purchasing Officer may develop or adopt standard forms of solicitations and other documents to be used in conjunction with the acquisition of goods and services for BPI.
- (b) Documents used pursuant to (a) shall have been approved by the Solicitor.
- (c) Where the Purchasing Officer has developed a standard form in accordance with (a) above, operating departments shall acquire the particular varieties of goods and services in accordance with standard forms and not otherwise, provided that the Purchasing Officer may authorize or draft minor variations therefrom as necessary.

2.06 Execution of Contracts and Documents

- (a) The execution of contracts and documents in connection with the acquisition of goods and services by BPI shall be in accordance with the requirements of BPI Policy 3 – Execution of Routine Documents
- (b) Employees are responsible for determining whether or not they have authority to execute documents on behalf of BPI in accordance with the foregoing.
- (c) Without limiting the generality of anything else contained in this policy or the seriousness of any other contravention of this Policy, it shall be a serious contravention of this Policy for any employee to execute a contract or other document in connection with a solicitation of goods or services if the execution of such contract or other document is not in accordance with the requirements of BPI Policy 3.

2.07 Disposal of Surplus Goods and Equipment

- (a) Except where otherwise required by the BPI Board of Directors for specific varieties of goods or equipment, surplus goods shall be disposed of by the Purchasing Officer in accordance with this Policy.
- (b) Surplus goods shall be disposed of by any one of the following methods, ranked in order of preference as follows:
 - (i) Given to another operating department within BPI ;
 - (ii) Traded in as part of a replacement purchase;
 - (iii) Sold by a competitive public offering process or auction;
 - (iv) Offered or donated to non-profit agencies; or
 - (v) Disposal of the goods by transportation to the landfill site, recycling site or other appropriate disposal facility.
- (c) The Purchasing Officer in consultation with BPI's Chief Financial Officer or his/her designate may make written procedures from time to time consistent with the requirements of this Policy to reflect best practices for the disposal of surplus goods.
- (d) Procedures enacted pursuant (c) shall have been approved by the Senior Leadership Team of BPI.
- (e) Where the Purchasing Officer has developed procedures in accordance with (c) above, operating departments shall follow such procedures.

2.08 Persons with Disabilities

In acquiring goods and services for BPI, staff shall consider and have regard to disability accessibility issues as they may reasonably pertain to such acquisitions of goods and services

- (a) Contracts for the acquisition of goods and services shall include the following elements:
 - (i) that the Vendor shall comply with the Accessibility Standards for Customer Service, O. Reg. 429/07 (Appendix A) ("Regulation"), under The Accessibility for Ontarians With Disabilities Act, 2005 (AODA);
 - (ii) that the Vendor shall ensure that its employees are trained on providing accessible customer services. Any training or training resources must conform to the legislated requirements under the Act; and
 - (iii) that the Vendor shall maintain records of the training, including dates when training was provided, the number of employees who received training and individual training records. Where requested by BPI, the person, business or organization shall provide written proof, as well as any documentation regarding training policies, practices and procedures, to BPI.

2.09 Review of this Policy

This Policy shall be reviewed every four years.

2.10 Green Procurement

In acquiring goods and services for BPI, staff shall consider whether it is feasible to incorporate environmental considerations into solicitations for goods and services. The Purchasing Officer shall keep apprised of best purchasing practices for responsible environmental procurement, and shall bring it to the attention of operating departments wherever the same are applicable.

2.11 Unsolicited Proposals

- (a) Unsolicited Proposals received by BPI shall be reviewed by the Purchasing Manager and the Director of the applicable department to determine if the proposal warrants consideration.
- (b) Any Unsolicited Proposal shall not be considered if:
 - (i) It resembles a current or upcoming competitive procurement that has or will be requested;
 - (ii) It requires substantial assistance from BPI to complete the proposal
 - (iii) The goods or services are readily available from other sources
 - (iv) It is not deemed by the Director to be of sufficient value to BPI.
- (c) Any Unsolicited Proposal warranting execution shall be either procured through a competitive bid process as per Table One or require Board of Directors approval to award as a single source or sole source purchase.
- (d) Where a competitive bid process is undertaken for the good or service, the person submitting the Unsolicited Proposal shall not be precluded from participating in the procurement process.

2.12 Dispute Resolution

In the event any vendor involved in a procurement process with BPI presents a dispute in regards to that process, the following dispute resolution process shall be followed:

- (a) The vendor indentifying the dispute shall be required to state the nature of the dispute in writing, giving full details and history of the events leading to the dispute claim, addressed to the Manager of Purchasing.
- (b) The award of any contract shall not be rescinded nor the progress of any project be delayed by a request for dispute resolution unless recommended by the BPI CEO or his/her designate involved in the procurement of the good or service and the Manager of Purchasing.
- (c) Upon receiving the dispute claim, a bid debriefing will take place with the Manager of Purchasing, the Purchasing staff member assigned to that procurement file and the BPI staff member involved in the procurement process and up to 2 representatives of the vendor. The Manager of Purchasing shall convene the meeting between the parties within fourteen (14) days of the receipt of the dispute claim. The debriefing session will be structured so as to provide assistance to the vendor to both understand the procurement process that occurred and to assist them in improving their future bids to BPI.

- (d) Should the debriefing session fail to satisfy the vendor, the vendor may request a further meeting with the BPI CEO or his/her designate and the Manager of Purchasing. This request must be addressed to the Manager of Purchasing and received in writing within fourteen (14) days of the meeting described in section b). The Manager of Purchasing shall convene the meeting between the parties.

- (e) In the event a resolution cannot be achieved and the vendor requests to further prosecute the dispute claim, the Manager of Purchasing shall request the vendor to pursue the matter through the Solicitor. The dispute claim shall then be handled by the Solicitor or his/her designate.

CHAPTER 3
METHODS THROUGH WHICH GOODS AND SERVICES MAY BE ACQUIRED

3.01 Summary of Methods

Goods and services shall be acquired by BPI in accordance with the methods set forth in the following Table One, and not otherwise.

Table One
METHODS THROUGH WHICH GOODS AND SERVICES MAY BE ACQUIRED

Estimated Value of Goods and Services Not including Taxes	Low <\$5,000	Medium \$5,000 and over but < \$250,000	High \$250,000 and over
Permitted Method(s) of Acquisition Note: Minimum Standards Only (See Section 3.02. More formal methods associated with high value acquisitions may still be used for lower ranked acquisitions)	Informal Procurement May use any acquisition process Competition not required.	Level One. Less than \$25,000 Must be at least three written quotations unless there are insufficient vendors. Public advertising is not required.	Requests for Proposals
		Level Two. \$25,000 and over Must be at least three written quotations unless there are insufficient vendors. Public advertising is required.	Requests for Tenders
		Non-competitive acquisition Only where specifically allowed pursuant to Chapter 4 of purchasing policy. Purchasing Officer to enforce compliance with policy and determine whether or not conditions for non-competitive acquisition have been met.	Non-competitive acquisition where specifically allowed pursuant to Chapter 4 of purchasing policy. Purchasing Officer to enforce compliance with policy and determine whether or not conditions for non-competitive acquisition have been met
Who will administer the acquisition process? (Note: other provisions such as Section 3.08 may apply)	Department Staff Purchasing Division staff may assist if required	Level One. Less than \$25,000 Department Staff, but Purchasing Division staff may assist as required.	Only Purchasing Division Staff
		Level Two. \$25,000 and over Purchasing Division Staff	
Request for Proposals Level One and Two Purchasing Division Staff			

3.02 Interpretation

The permitted methods of acquisition defined in Table One are minimum standards. Although Table One indicates that the allowed methods of acquisition shall become progressively more formal as the estimated value of goods and services increases, department staff may choose to use more formal methods of acquisition than are specified as minimum standards in the table. For instance, department staff may choose to use Requests for Proposals or Requests for Tenders for medium value acquisitions, despite the fact that Table One would authorize the same acquisition to occur through a Request for Quotations.

3.03 Inflation Adjustment to Figures and Limits

The dollar limits contained in Table One shall be adjusted as part of the review of this Policy pursuant to Section 2.10 to take account of the effect of inflation.

3.04 Procedures

- (a) The Purchasing Officer may make written procedures from time to time consistent with the requirements of this Policy to reflect best purchasing and acquisition practices. Without limiting the generality of the foregoing, such procedures shall include rules for issuance of solicitations, receipt of submissions, the creation and drafting of specifications for solicitations, advertising, deposit requirements, prequalification processes, breaking ties between identical submissions, calculating the Estimated Value of Goods and Services, minimum standards for performance security, and the opening procedures for solicitations.
- (b) Procedures enacted pursuant to (a) shall have been approved by the Senior Leadership Team of BPI.
- (c) Where the Purchasing Officer has developed procedures in accordance with (a) above, operating departments shall follow such procedures.

3.05 Special Provisions for Emergencies

- (a) When emergency conditions occur, the provisions of Table One shall be read in conjunction with this section and section 4.02(f).
- (b) Despite the requirement that Board of Directors approval shall first be obtained in certain situations set forth in Table One, it shall not be necessary to obtain Board of Directors approval where the acquisition of goods and services is required to meet an emergency.
- (c) Except for the adjustments made in accordance with (a) and Article 4.02(f), all other terms and requirements of this Policy shall continue to apply to the acquisition of goods and services in an emergency.
- (d) Whenever the provisions of this section or section 4.02(f) are applied in an emergency situation, a report to the Board of Directors shall be made by the BPI CEO or BPI Director as soon as practicable thereafter detailing the circumstances of the emergency, the details of the goods and services acquired in order to meet the emergency, and all other pertinent details.

3.06 Division of Procurement to Avoid Compliance with Policy

The procurement of goods and services shall not be separated or divided into multiple procurements where the purpose of such separation or division is to take advantage of the reduced formality in the acquisition of goods and service where the acquisition occurs at a lower estimated cost. Related procurements shall be combined wherever possible with a view to obtaining the lowest overall cost to the ratepayer.

3.07 Prequalification Processes

- (a) Except for the acquisition of consulting services in accordance with Chapter 5, it is the policy of BPI that prequalification processes are generally discouraged in the acquisition of goods and services.
- (b) Except for the acquisition of consulting services in accordance with Chapter 5 of this Policy, prequalification processes may only be used in any solicitation if the Purchasing Officer has concluded that their application is appropriate in the circumstances of the particular acquisition.
- (c) In generating specifications for any prequalification process, the Purchasing Officer shall ensure that any Request for Prequalification:
 - (i) Includes only reasonable requirements;
 - (ii) does not include any unnecessary condition or restriction which would prevent an appropriate level of competition in the solicitation; and,
 - (iii) does not disallow the participation of bidders or proponents who are capable of performing the work.
- (d) Nothing in (c) above shall prohibit the inclusion within any Request for Prequalification of a requirement which only permits a fixed number of candidates to advance to the next phase of a solicitation process if the Purchasing Officer concludes that such a requirement is necessary and advisable in the circumstances.

3.08 Authority of Department Staff

References within Table One or within the remainder of this policy to “Department Staff” or “Operating Departments” shall not be deemed to confer upon any staff member any jurisdiction or authority which that staff member would not otherwise have and, without limiting the generality of the foregoing, nothing in this policy shall diminish or reduce any reporting relationship or the authority of management to give direction to subordinate employees.

3.09 Prohibited Classes of Vendor

- (a) BPI shall not acquire goods and services from any of the following:
 - (i) Municipal Councillors and members of the Board of Directors of BPI's shareholder;
 - (ii) Members of the BPI Board of Directors;
 - (ii) Staff of BPI at or above the level of Director; or,
 - (iii) Corporations or partnerships in which the individuals in (i) or (ii) hold a "controlling interest". For purposes of the foregoing, "controlling" shall be interpreted and applied in the same manner that it is defined and applied in the Income Tax Act (Canada).

- (b) In any solicitations which occur by way of Request for Expressions of Interest, Request for Quotations, Request for Tender, or Request for Proposal, information shall be solicited which shall permit BPI to determine whether the prohibition in (a) will be contravened. The Purchasing Officer shall, unless he or she has actual notice to the contrary, be entitled to rely upon any certificate or affidavit so produced.

- (c) Nothing in (a) above shall prohibit the supply of the normal functions of the office or employment of BPI staff or members of the Board of Directors.

CHAPTER 4

NON-COMPETITIVE PROCUREMENT

4.01 General Rule

Unless permitted by a specific exception within this Policy, all acquisitions of goods and services made pursuant to this Policy shall include a competitive process.

4.02 Exceptions

In acquiring goods and services for BPI, non-competitive procurement processes may be used in the following circumstances:

- (a) For low-value informal procurements as set forth in Table One;
- (b) For procurements of goods and services where there is a statutory or market based monopoly; or in circumstances where in the Purchasing Officer has concluded that market conditions make it impractical to use competitive procurement processes;
- (c) For procurements of goods and services where the required item is covered by an exclusive right such as a patent, copyright or exclusive licence;
- (d) For procurements of goods and services when BPI is exercising an existing "option to buy" where such option to buy was obtained through a competitive process or pursuant to specific Board of Directors approval;
- (e) For procurements of goods and services when in the opinion of the Purchasing Officer it is important to acquire compatible goods or services and compatible goods or services are only available from a particular vendor;
- (f) For procurements of goods and services when the acquisition of the goods and services are necessary to respond to an emergency and there is insufficient time to use competitive procurement processes;
- (g) In any case where the Board of Directors has granted specific approval for the use of non-competitive procurement processes;
- (h) In any case where the Board of Directors has approved a specific standard for goods or services, and the approval of the standard necessarily implies that non-competitive procurement processes will be used;
- (i) In any case where elsewhere within this Policy the use of non-competitive procurement processes is expressly authorized.
- (j) In any case involving the acquisition of unique historical artifacts;

- (k) When no compliant submissions have been received in response to a competitive solicitation, and the Purchasing Officer has concluded that it would be impractical to issue a further competitive solicitation.
- (l) To permit a temporary extension of no more than three (3 months) of an existing contract that has expired or is about to expire to permit the uninterrupted supply of goods and services while a new solicitation is being prepared.

CHAPTER 5

ACQUISITION OF CONSULTING SERVICES

5.01 Considerations in the engagement of consulting services

While price is always an important consideration in any procurement, when consultants are being engaged by BPI I, price is very often secondary to considerations of the experience and qualifications of the proposed consultant examined in light of the requirements of the particular project or engagement for which the consultant is being retained.

5.02 Use of Two-Envelope Processes

- (a) When acquiring consulting services and the estimated cost is at the High Level of Value depicted in Table One, BPI shall employ the Two-Envelope Process and shall only open the envelope containing the prices of bidders if the other envelope has permitted the evaluation committee to determine that the bidder has the necessary technical and qualitative requirements to perform the consulting engagement.
- (b) The evaluation committee shall be composed of the Purchasing Officer and such other individuals as may be appointed thereto by the BPI CEO or BPI Director where applicable) responsible for the project. In addition to the other members of the committee appointed by the BPI CEO or BPI Director, the BPI CEO may also place himself or herself on the committee.
- (c) As an alternative to the Two-Envelope process when acquiring consulting services at the High Level of Value depicted in Table One, the Purchasing Officer may choose to engage in a preliminary prequalification process to select not less than three qualified bidders who shall be invited to make a submission in response to a formal Solicitation. In circumstances where such a choice has been made to proceed through a preliminary prequalification process, an evaluation committee composed exactly as set forth in (a) and (b) above shall be established to determine the list of qualified bidders who shall receive an invitation.
- (d) Solicitations for consulting services shall include evaluation criteria consistent with section 1.01 of this Policy to be used in the selection process.

5.03 Procedures

- (a) The Purchasing Officer may make written procedures from time to time consistent with the requirements of this Policy to reflect best purchasing and acquisition practices respecting the solicitation of consulting services.
- (b) Procedures enacted pursuant to (a) shall have been approved by the Senior Leadership Team of BPI.
- (c) Where the Purchasing Officer has developed procedures in accordance with (a) above, operating departments shall follow such procedures.

CHAPTER 6

SELECTION OF SUCCESSFUL VENDORS

6.01 General Rule

- (a) Unless permitted by a specific exception within this policy, whenever a competitive process is used to acquire goods and services for BPI, the vendor who has made the lowest responsive submission shall be awarded the contract to supply the goods and services to BPI.
- (b) The rule in (a) shall be read with necessary modifications when a solicitation includes a revenue component. In such circumstances, the vendor who has made the responsive submission, which has the best financial impact on BPI, shall be awarded the contract to supply the goods and services to BPI.
- (c) When possible, solicitations should include specific reference to those components of the definition of lowest overall cost, which pertain to the competition and shall be used in the analysis of submissions.

6.02 Exceptions

In acquiring goods and services for BPI, the general rule in section 6.01 shall not apply in the following circumstances:

- (a) When there has been a documented failure of the Vendor to provide appropriate performance in past procurements with BPI; and the Purchasing Officer gave notice to the Vendor at the time of the non-performance that the Vendor's default would be taken into account in future competitions involving the Vendor;
- (b) When factors other than price are specifically solicited by BPI, and after taking these other factors into account, BPI has determined that the contract to supply the goods and services should not be awarded to the lowest responsive bidder;
- (c) When considering proposals submitted in response to a request for proposals;
- (d) When there are litigious circumstances as set forth in Section 6.04; and,
- (e) In solicitations for consulting services as set forth in Chapter 5.

6.03 Procedures

- (a) The Purchasing Officer shall make written procedures from time to time consistent with the requirements of this Policy to reflect best practices for the documentation of past failures of Vendors to provide appropriate performance in past procurements.
- (b) Procedures enacted pursuant to (a) shall have been approved by the Senior Leadership Team of BPI.

- (c) Where the Purchasing Officer has developed procedures in accordance with (a), operating departments shall follow such procedures and shall cooperate with the Purchasing Officer in the documentation of such past failures.

6.04 Litigation with potential Vendors

- (a) It is a matter of great importance to BPI in the administration of contracts that BPI's relationship with vendors should be as productive, amicable, and harmonious as is reasonably possible.
- (b) When a potential vendor has responded to a solicitation from BPI for the supply of goods and services to BPI, and the potential vendor is:
 - (i) threatening litigation or pursuing litigation against BPI in relation to previous contracts awarded to that bidder by BPI; or,
 - (ii) a person against whom BPI is pursuing litigation,

BPI shall be entitled to reject the submission of the Vendor, despite the fact that its submission might otherwise have met the conditions, which would have made it successful.

- (c) All solicitations prepared by or on behalf of BPI shall implement and reflect the requirements of this section.

CHAPTER 7
PROCUREMENTS WHICH MUST BE AWARDED BY THE BOARD OF DIRECTORS

7.01 General

The rules for determining whether or not it is the Board of Directors or staff that must award particular procurements and contracts are generally contained within Table One, as interpreted in conjunction with the definition of the term “pre-approved solicitation” in Section 1.05.

7.02 Contracts which must be awarded by the Board of Directors

Despite the contents of Table One or any other requirement of this Policy, the following contracts shall be awarded by the Board of Directors and not BPI Staff:

- (a) Contracts for the supply of goods and services which have a term of one year and a day, or greater, provided that the foregoing shall not apply to:
 - (i) a contract which includes a non-binding option under which BPI may obtain not more than four successive one-year extensions of the term;
 - (ii) a contract for which funding is to be paid from an account or accounts which have been approved as part of a multi-year budget, and the contract is within the limits of such multi-year budget, as approved;
 - (iii) a contract awarded following a solicitation for which the Board of Directors has made a specific exception pursuant to this subsection; or
 - (iv) a contract under which the total amount to be paid over the full term of the contract will not exceed Twenty-Five thousand dollars (\$25,000.00).
- (b) Contracts awarded pursuant to Section 3.05(b); and,
- (c) Such other specific contracts as the Board of Directors may from time to time specify by Resolution, provided that the addition on a general or continuing basis of any class or variety of contract which shall thereafter be awarded by the Board of Directors must be approved through a resolution which amends this Policy.

7.03 Information to be obtained

In any solicitations which occur by way of Request for Expressions of Interest, Request for Quotations, Request for Tender, or Request for Proposal, a certificate or affidavit shall be solicited verifying whether or not any of the items in Section 7.02 apply. The Purchasing Officer shall, unless he or she has actual notice to the contrary, be entitled to rely upon any certificate or affidavit so produced.

CHAPTER 8

UNFORSEEN AND CONTINGENT EVENTS

8.01 Introduction

- (a) The acquisition of goods and services is sometimes complicated by the happening of events and circumstances which are either entirely unforeseen or are foreseen with greater or lesser degrees of probability.
- (b) The purpose of this Chapter is to make provision for the treatment of some of the more common examples of the foregoing. It is not intended to provide an exhaustive description of all possibilities.

8.02 Insufficient Budget at time of award of solicitation

In the event that all submissions received in response to a solicitation exceed the funds available for the completion of the project, BPI may pursue the following options:

- (a) BPI may add funds to those already allocated to the project so that there are sufficient funds to enable BPI to select a submission;
- (b) All submissions may be rejected and BPI may cancel the solicitation and abandon the procurement of the good or service;
- (c) All submissions may be rejected and BPI may engage in a further solicitation, either with or without amendments from the preceding solicitation. Before proceeding to engage in a further solicitation which does not include any significant amendment from the preceding solicitation, the Purchasing Officer shall consider whether any unfair advantage will be obtained by any person by so proceeding, and the Purchasing Officer shall consult with the Solicitor with respect to same; or,
- (d) If the lowest submission is within 15% of the available funds (excluding HST), BPI may negotiate with the Vendor who submitted the lowest responsive submission in an attempt to achieve the acquisition of the goods and services at a price which fits within the available funds. BPI may proceed to the Vendor who submitted the next lowest responsive submission in the event that negotiations are unsuccessful, and so on until BPI is able to negotiate a price or BPI chooses to abandon the process and reject all submissions. For purposes of the foregoing, negotiation may include minor adjustments in the specifications of the goods and services to be acquired, and the minor adjustment of other obligations of the parties.

8.03 Additional costs encountered during completion of contract or project

- (a) Whenever any purchase of goods or services has been authorized pursuant to this Policy, the responsible operating department may authorize the disbursement of additional funds to complete the purchase of goods and services where unexpected contingencies have arisen for which no or insufficient provision has been made, provided that:

- (i) When dealing with medium value and low value acquisitions, such additional funds shall not exceed the lesser of 15% of the original contract, or \$15,000;
or,
When dealing with high value acquisitions, such additional funds shall not exceed the lesser of 10% of the original contract, or \$100,000; and,
 - (ii) the additional funds are required in order to complete the work set out in the original contract; and,
 - (iii) there are sufficient funds in the applicable department budget to pay the additional funds.
- (b) Where the original contract for the acquisition of goods and services was approved by Board of Directors, a further approval of the amounts permitted to be disbursed pursuant to (a) above shall not be required unless a contrary intention was expressed in the original Board of Directors approval.
- (c) If the rules in (a) and (b) are insufficient to provide the additional funds required to complete the work set out in the original contract, a further approval shall be required in respect of the funds, obtained as follows:
- (i) If the contract was originally approved by Board of Directors, the additional funds required to complete the work shall be requested from Board of Directors; or,
 - (ii) If the contract was originally approved by Staff, the additional funds required to complete the work shall be requested from the BPI CEO. .

8.04 Application of amounts set aside as a contingency

- (a) Staff are encouraged to make reasonable provision for probable contingencies in the development of the Estimated Value of Goods and Services, the specifications, and the contract documents for the acquisition of goods and services for BPI.
- (b) In the event that a contract or solicitation makes explicit provision or allowance for the happening of any contingency, the application of such provision or the expenditure of any related allowance shall be a normal part of the administration of the contract for all purposes of this Policy.

CHAPTER 9 **INTEGRITY**

9.01 Integrity

Without limiting the application of the confidentiality provisions of the Municipal Freedom of Information and Protection of Privacy Act or the requirements of policies governing staff conduct which the Board of Directors may from time to time establish, no employee shall share confidential information with any potential Vendor which would cause that potential Vendor to gain an unfair advantage or to suffer any disadvantage in a competitive process for the supply of goods and services to BPI.

CHAPTER 10

ERRORS IN SUBMISSIONS

10.01 Recognition of Issue

BPI recognizes that submissions presented in response to solicitations of BPI may from time to time contain errors, not all of which shall be fatal to the consideration of the submission. The purpose of this Chapter is to define the consequences of certain common errors in submissions which may be received by BPI.

10.02 Consequences of specific varieties of error

The following Table Two is a list of some errors or irregularities in the submission of a solicitation to BPI and the consequences associated with each such error or irregularity. Errors or irregularities which are capable of being corrected and have been corrected in accordance with Table Two shall not prevent a submission from being classified as “Responsive” for purposes of this policy. Table Two is not intended to provide an exhaustive description of all possibilities.

Table Two
ERRORS AND IRREGULARITIES IN SUBMISSIONS AND CONSEQUENCES
OF EACH ERROR OR IRREGULARITY

ERROR OR IRREGULARITY	CONSEQUENCE
Late submission.	Automatic rejection.
Bid security, assurance to bond or other required performance security not contained within Submission.	Automatic rejection.
Bid security, assurance to bond or other required performance security not in required amount or form.	Automatic rejection.
Bid security, assurance to bond or other required performance security is either unenforceable, or is not fully enforceable on its face. Includes the situation where a bid bond or agreement to bond is issued by a surety company which is not licensed in Ontario.	Automatic rejection.
Submission not written in ink or other non-erasable medium.	Automatic rejection.
Submission, bid security or assurance to bond is not originally signed but is a completed photocopy - i.e. Submission has only a photocopy of the Vendor's signature, not the original.	May provide original signed document within two business days of notification by BPI, but no change in Submission permitted.
Submission is qualified – i.e. contains a restriction or qualification where such restrictions or qualifications are not permitted by the Solicitation.	Automatic rejection.

<p>All required items not included in Submission, including but not limited to:</p> <ul style="list-style-type: none"> • missing signature on the Form of Tender/Proposal/Quotation; • missing Form of Tender/Proposal/Quotation pages or schedules; • missing form or other document where the Solicitation requires that information to be a mandatory requirement within the Submission. 	<p>Automatic rejection.</p>
<p>An unauthorized amendment to the Solicitation's Form of Tender/Proposal/Quotation - i.e. Form of Tender is not the exact reproduction of the form provided in the Solicitation or includes alterations not provided for in the Solicitation.</p>	<p>Automatic rejection.</p>
<p>Any addenda to Solicitation not acknowledged.</p>	<p>May provide acknowledgement within two business days of BPI's notification of the error, but no change in Submission is permitted.</p>
<p>Submission contains obvious clerical or mathematical errors.</p>	<p>May correct error within two business days of BPI's notification of the error, but no change in unit price or lump sum price in Submission is permitted.</p>
<p>Item shown as a "total" or sum inconsistent with figures added.</p>	<p>May correct error within two business days of BPI's notification of the error, but no change in unit price or lump sum price in Submission is permitted.</p>
<p>Alterations have been made to the Submission but have not been initialed to verify authenticity.</p>	<p>May correct error within two business days of BPI's notification of the error, but no change in the Submission is permitted.</p>
<p>Mistake in Submission not obvious on the face of the Submission.</p>	<p>No relief.</p>
<p>Failure to attend mandatory site meeting at the time specified in the Solicitation or failure to sign in as required in the Solicitation.</p>	<p>Automatic rejection.</p>

CHAPTER 11 **ENFORCEMENT**

11.01 Role of Purchasing Officer

- (a) The Purchasing Officer shall enforce compliance with this Policy.
- (b) In enforcing compliance with this Policy, the Purchasing Officer may report transgressions of this Policy directly to the Board of Directors, CEO or such other management staff of BPI who may seem appropriate to him or her in the circumstances.
- (c) It is the intention that in reporting transgressions pursuant to (b) above, the Purchasing Officer shall generally report to the next highest level in the management chain above the person who has committed the transgression, but the Purchasing Officer may report directly to a higher level if the consequences of the transgression appear especially significant to him or her.
- (d) If reporting transgressions to the BPI CEO or to the Board of Directors pursuant to the foregoing, the Purchasing Officer shall liaise with and seek direction from the Solicitor prior to so doing.

11.02 Independence of Purchasing Officer

- (a) In fulfilling his or her role in enforcing compliance with this Policy and subject to section 11.01(d) above, the Purchasing Officer shall be independent of management structure and any inappropriate administrative or political influences.
- (b) The Purchasing Officer shall otherwise be subject to usual management and administrative control and direction, including administrative control and direction regarding his or her administrative roles and responsibilities (such as the development of procedures) pursuant to this Policy.

11.03 Review Rights

For purposes of enforcement of this Policy, the Purchasing Officer shall have the right to examine any document or file in the possession of any operating department which pertains to the acquisition of goods or services by that department.

11.04 Training

As a proactive means of enforcing compliance with this Policy, the Purchasing Officer shall conduct training as required to teach the requirements of this Policy to the staff of BPI.

11.05 Discipline

Breaches of this Policy by employees may be subject to disciplinary action in accordance with principles and practices enforced by the Human Resources Department.

11.06 Accountability

Staff are accountable for the decisions and actions which they take pursuant to this Policy and in the administration of contracts which have been awarded pursuant to this policy.

SCHEDULE 1 **EXEMPTIONS**

In acquiring the following goods and services, operating departments shall not be required to follow the procedures and methods described in this Policy:

1. Transaction-specific exceptions approved by the Board of Directors

Transaction-specific exceptions approved by the Board of Directors from time to time through resolution, it being the intention that any new exceptions of general or continuing application will be approved by resolution as additions to this Schedule.

2. Training and Education

- (a) Conferences, conventions, workshops, courses and seminars
- (b) Magazines, subscriptions, books and periodicals,
- (c) Memberships
- (d) Staff development

3. Refundable Employee Expenses

- (a) Advances
- (b) Meal Allowances
- (c) Travel and Entertainment

4. Employer's General Expenses

- (a) Reimbursed Employee expenses
- (b) Payroll and honoraria remittances
- (c) Medical exams,
- (d) Government licence fees
- (e) Grants and levies payable to outside agencies
- (f) Grants pursuant to community improvement plans and other similar initiatives
- (g) Damage and insurance deductible claims
- (h) Petty cash replenishment
- (i) Tax remittances
- (j) Refunds/overpayments of taxes/fees
- (k) Payments pursuant to agreements approved by the Board of Directors
- (l) Realty taxes
- (m) Payment for employment
- (n) Bank charges and services payable to the Board-approved banker
- (o) Commodity Price Hedging Agreements if done in accordance with BPI policy affecting such agreements.
- (p) Debenture Payments;
- (q) Purchases of Investments where done pursuant to the approved investment and Financial Policies of BPI.
- (r) Temporary staffing agencies and services

5. Professional and Special Services

- (a) Special tax, accounting and audit services and advice from the Shareholder - approved auditor.
- (b) Outside Legal Services
- (c) Witness fees
- (d) Board honoraria
- (e) Real Estate Appraisals
- (f) Arbitration Fees
- (g) Counseling fees
- (h) Advertising
- (i) Entertainers for theatre or special events
- (j) Medical fees

6. Utilities

- (a) Water
- (b) Sewer
- (c) Natural Gas
- (d) Electricity
- (e) Postage
- (f) Television charges

7. Real Property Interests

- (a) All real estate transactions

Brantford Power Inc.

EB-2016-0058

Exhibit 4

Attachment 4-D

Filed: May 4, 2016

Attachment 4-D

Services Agreement between BEC Group

SERVICES AGREEMENT

THIS AGREEMENT made this day of April 22, 2015

BETWEEN

Brantford Energy Corporation ("BEC")

OF THE FIRST PART

-and-

Brantford Power Inc. ("BPI")

OF THE SECOND PART

-and-

Brantford Hydro Inc. ("BHI")

OF THE THIRD PART

-and-

Brantford Generation Inc. ("BGI")

OF THE FOURTH PART

WHEREAS BEC, BPI, BHI and BGI have been incorporated pursuant to Section 142 of the *Electricity Act, 1998*;

AND WHEREAS the Ontario Energy Board (the "Board") has created an Affiliate Relationships Code for Electricity Distributors and Transmitters (the "Code") which applies to BPI and will impact its affiliates including BEC, BGI and BHI;

AND WHEREAS the purpose of the Code is to establish the standards and conditions for the interaction between electricity distributors or transmitters and their respective affiliated companies;

AND WHEREAS BEC, BPI, BHI and BGI may supply or receive management, administration, operational or other services in accordance with this Services Agreement;

AND WHEREAS the parties desire to structure such a Services Agreement with a general section entitled "Master Agreement" covering the general terms and conditions of contracted services and agreement "Schedules" to cover any additional terms and conditions associated with specific contracted services;

AND WHEREAS each of the parties intends to execute the "Master Agreement" and any of the specific "Schedules" in accordance with the needs of the respective company;

NOW THEREFORE IN CONSIDERATION OF the mutual covenants herein contained and the provision of other good and valuable consideration by each party hereto to each of the others (the receipt and adequacy of which is acknowledged) the parties hereto have agreed as follows:

1. Definitions

- 1.01 "**Act**" means the *Ontario Energy Board Act, 1998*;
- 1.02 "**Affiliate**" with respect to a corporation, has the same meaning as in the *Ontario Business Corporations Act*;
- 1.03 "**Agent**" means a person acting on behalf of the Service Provider and includes persons contracted to provide services on behalf of the Service Provider;
- 1.04 "**Code**" means the Ontario Energy Board's Affiliate Relationships Code for Electricity Distributors and Transmitters;
- 1.05 "**Confidential Information**" means information the Local Distribution Company has obtained relating to a specific sub-metering provider, wholesaler, consumer, retailer or generator in the process of providing current or prospective Local Distribution Company service;
- 1.06 "**Cost Allocation**" means the method used by a Service Provider to allocate the proportionate share of the cost of services (direct and indirect) provided pursuant to this Services Agreement to the Service Recipient(s).
- 1.07 "**Direct costs**" means costs that can reasonably be identified with a specific unit of product or service or with a specific operation or cost centre;
- 1.08 "**Fair market value**" means the price reached in an open and unrestricted market between informed and prudent parties, acting at arm's length and under no compulsion to act;
- 1.09 "**Fully-allocated cost**" means the sum of direct costs plus a proportional share of indirect costs;

- 1.10 “**Indirect costs**” means costs that cannot be identified with a specific unit of product or service or with a specific operation or cost centre, and include but are not limited to overhead costs, administrative and general expenses, and taxes;
- 1.11 “**Local Distribution Company**” means BPI as an electricity distributor that is licensed under Part V of the Act.
- 1.12 “**Master Agreement**” means the portion of this agreement excluding the Schedule(s) governing the general terms and conditions of the agreement.
- 1.13 “**Schedule(s)**” means the Schedule(s) annexed to the Master Agreement and forming part of the Services Agreement which identifies the Service Provider, the Service Recipient(s) and identifies the nature of services to be provided, the pricing mechanisms, the cost allocation mechanisms, and the apportionment of risks (including risks related to under or over provision of service);
- 1.14 “**Service Provider**” means the party to the Services Agreement with the primary responsibility to provide or to have provided services to the Service Recipient under the terms of a particular Schedule.
- 1.15 “**Service Recipient**” means the party to the Services Agreement receiving services from the Service Provider under the terms of a particular Schedule.
- 1.16 “**Services Agreement**” means an agreement for the provision of services between BPI and any Affiliate for the purpose of subsection 2.2 of the Code and comprises the Master Agreement and any Schedules which may be attached to the Master Agreement from time to time.

2. Interpretations

- 2.01 This Services Agreement shall be construed in accordance with the laws of the Province of Ontario.
- 2.02 This Services Agreement shall not be deemed nor construed to be the formation of a partnership as between the Service Provider and the Service Recipient(s) and only those matters that are specifically dealt with in this Services Agreement are to be the subject matter of any rights and obligations on the part of the respective parties.
- 2.03 Unless otherwise defined in this Services Agreement words and phrases that have not been defined shall have the meaning ascribed to them in the licenses issued by the Board, the Act or the *Electricity Act, 1998* as the case may be.
- 2.04 Headings are for convenience only and shall not affect the interpretation of this Services Agreement. Words importing the singular include the plural and vice versa. A reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document.

3. Services to be provided

- 3.01 The parties agree to perform or cause to be performed in a good and workmanlike manner all services contemplated under this Services Agreement.
- 3.02 The nature and terms of the services to be provided by applicable parties are documented in applicable Schedules appended to this Master Agreement as listed in Appendix A to this agreement.
- 3.03 The Service Recipient shall have the sole discretion to determine the schedule, response and standards of the services to be carried out.
- 3.04 In performing the services, the Service Provider shall have the sole discretion on any matters related to the services carried out that have not been prescribed by the Service Recipient.
- 3.05 The Service Provider shall have the right to hire contractors or retain the services of such persons necessary to ensure the contracted services are provided in accordance with the terms of the Service Recipient. Contractor and other external costs, which are solely related to a particular Service Recipient, shall be engaged directly by the Service Recipient.
- 3.06 Additional Schedules may be added to this Master Agreement at any time provided the related Schedule complies with the intent of the Master Agreement and the Schedule is duly executed by the applicable parties.

4. Payments for Services

- 4.01 Payments for any services delivered under this Services Agreement including reimbursement of any expenses, shall be made within 30 days of the month end in which the services were provided unless alternative payment terms are stipulated in the applicable Schedule.
- 4.02 Fees for services within the terms of this Service Agreement do not include the Harmonized Goods and Services Tax (HST).
- 4.03 All services provided by the Service Provider as outlined in the Services Agreement and Schedules are subject to the charges specified therein. No additional fees or charges are applicable unless otherwise specified in the related Schedule.
- 4.04 If any of the parties fails to pay any such invoices within the time specified, interest shall accrue from the payment due date at the prime rate as stated by the Royal Bank of Canada from time to time.

5. Annual Review of Schedules

- 5.01 The parties shall review the contents of each Schedule on an annual basis. The purpose of such review shall be to determine whether the activities described in each Schedule continue to be accurate. The parties shall also review the fees charged for each service, to ensure they continue to be set at appropriate levels.

5.02 In the event that during such a review, disagreements arise with respect to the suggested amendments to any Schedule and the parties cannot settle these disagreements, any party shall have the ability to require the contents of the Schedule or Schedules under disagreement to be submitted to arbitration in accordance with the provisions of Section 6 of this Services Agreement.

6. Dispute Resolution

6.01 In the event of a dispute regarding this Services Agreement, before any party may submit the dispute to arbitration in accordance with Section 6.02, such party shall first provide written notice to the other party of the particulars of the dispute, following which the parties shall use all reasonable efforts to resolve the dispute amicably, promptly and in good faith.

6.02 If pursuant to Section 6.01, the parties cannot come to a resolution of a dispute regarding this Agreement within ten (10) Business Days of the date of receipt of the written notice referred to in Section 6.01 the dispute may be submitted to arbitration by either party subject, as applicable, to the provisions of Sections 6.01, 6.02 and 6.03. Arbitration shall be conducted pursuant to the *Arbitration Act, 1991* of Ontario, as amended and then in effect to the extent not inconsistent with the rules herein specified. Such arbitration shall be held in Brantford, Ontario, or in any other mutually agreed upon location. Unless otherwise mutually agreed, the dispute shall be heard by one arbitrator who has not previously been employed or otherwise retained by/or affiliated with a person that has been employed or otherwise retained by either party, does not have a direct or indirect interest in either party and shall be disinterested in the subject matter of the dispute. Such arbitrator shall either be as mutually agreed by the parties within thirty (30) days after agreeing to arbitration or failing agreement, shall be selected under the rules of the *Arbitration Act, 1991* of Ontario. The judgement rendered by the arbitrator may be enforced in any court of competent jurisdiction.

6.03 All costs of the arbitration shall be paid equally by the parties, unless the award shall specify a different division of the costs. Each party shall be responsible for its own expenses, including attorney's fees unless the award shall specify differently.

6.04 Should the parties submit to arbitration pursuant to Section 6.02, then the following arbitration rules shall apply. Subject to Section 6 hereof, the arbitrator shall be bound by the terms of this Services Agreement and may not detract from or add to its terms. The parties may by mutual agreement specify the rules that are to govern the arbitration proceedings and limit the matters to be considered. The findings and award of the arbitrator shall be final and conclusive and shall be binding upon the parties and shall not be subject to appeal. Each party agrees that it will not bring a lawsuit concerning any dispute covered by the arbitration provision.

7. Audit Rights

7.01 Any party to this Services Agreement may, at reasonable intervals, upon reasonable notice and at reasonable times during normal business hours, have such access to the records of the other party or parties as is necessary for purposes of auditing and investigating compliance with this Services Agreement. This access will be limited to information that is pertinent to the specific services contemplated under the Schedules executed by the specific party initiating the compliance audit or investigation.

8. Term

8.01 This Master Agreement is effective immediately following signing by all parties hereto.

8.02 Any Schedules are effective immediately following the signing by all parties thereto unless otherwise provided in the Schedule.

8.03 The Master Agreement and Schedules shall have a term of five years ending on December 31, 2019. The Service Recipient or Service Provider may request renewal of the Master Agreement or Schedules by notifying the Service Provider or Service Recipient of its intention to renew this Services Agreement or specific Schedules within 180 days prior to the expiry of the agreement failing which the applicable Schedules will not be renewed and will be terminated in accordance with Section 9.

8.04 The renewal of the Master Agreement and Schedules including any amendments thereto shall be in effect following signing by all parties hereto.

8.05 The Master Agreement shall remain in force as long as a single Schedule remains in effect.

9. Termination

9.01 The parties hereto agree that this Services Agreement may be terminated upon 90 days written notice by either the Service Provider or the Service Recipient to terminate the Services Agreement, unless the Service Provider and the Service Recipient mutually agree to an earlier termination date.

9.02 The parties hereto agree that any party to a Schedule may terminate the Schedule upon 90 days written notice by either party to terminate the Schedule. Such notice would only result in the termination of the particular schedule and would not result in a termination of the remainder of the Services Agreement.

9.03 The parties agree that in situations where an individual Service Recipient provides a termination notice in accordance with Section 9.02 to a Schedule having multiple Service Recipients that for other parties not party to the termination notice, the Schedule would continue to be in effect.

9.04 Should a termination outlined in Section 9.02 result in a need for the Service Provider to revise its pricing to the remaining Service Recipient(s) as outlined in Section 9.03, the Service Provider shall communicate such revisions to the Service Recipient as soon as possible with an effective date not to be sooner than 90 days from the date of notification.

10. Force Majeure

10.01 It shall not be a breach of this Services Agreement if any party to this Services Agreement fails to perform its obligations to provide services, work, or the supply of goods and materials to any other party by reason of war, insurrection, tempest, labour disputes, or any other event beyond the reasonable control of that party.

11. Confidentiality and Ownership of Information

11.01 It is agreed that Confidential Information from the Local Distribution Company shall not be shared with the other parties, and details of the operations of the Local Distribution Company shall not be shared with any of the Affiliates and vice versa.

11.02 The parties shall take such reasonable measures as are necessary in order to comply with the confidentiality obligations under Section 11.01 above.

11.03 Information stored or produced by any party to this Services Agreement on the sole behalf of another party to this agreement, shall be the property of the party on whose sole behalf such information is stored or produced. Where such information consists of an original report, computer programme, information, or intellectual property produced by a party to this Services Agreement for the sole purpose of supplying services to that other party and the cost of producing such report is included in the remuneration payable by such other party, the property to such original report, computer programme, information, or intellectual property shall belong to such other party. The foregoing shall not apply where information is stored or produced by a party to this Services Agreement on behalf of a third party to this agreement, or where the information is stored and produced by a party to this agreement for the mixed benefit of another party and the party which produced the information.

12. Entire Agreement

12.01 The Master Agreement, together with the Schedules as added from time to time, constitutes the entire Services Agreement between the parties as required by Section 2.2.1 of the Code. This Services Agreement may not be amended or modified except by written instrument signed by all parties.

13. Successor and Assigns

- 13.01** This Services Agreement shall enure to the benefit and be binding upon the parties hereto and their respective successors and assigns, provided that there shall be no assignment of this Services Agreement without the prior written consent of the parties hereto. The foregoing shall not prevent any Service Provider from contracting out the performance of any of its obligations hereunder.
- 13.02** Written consent under Section 13.01 is not required where the transfer of the Services Agreement responsibilities to a successor or assign is necessary to fulfil the party's statutory or regulatory obligations.

14. Liability and Insurance

- 14.01** The parties agree that employees and agents shall exercise due care that no person or property is injured and that no rights are infringed in the performance of or in respect to this Services Agreement.
- 14.02** The Service Provider agrees to indemnify and save harmless the Service Recipient from and against any claims, demands, actions and applications brought against the Service Recipient arising from the negligent performance of the contracted services by the Service Provider or its agent.
- 14.03** The parties agree to maintain and keep in force an insurance policy of sufficient coverage (in the amount of not less than \$24,000,000.00) in respect of the Services performed by the Service Provider under the terms of this Agreement. The Service Provider agrees to endorse its insurance coverage with the Service Recipient as an additional named insured to cover any liability of the Service Provider resulting or arising from any claims of injury, including injury resulting in death, loss of property, or damage due to the negligence of the Service Provider or to those for whom the Service Provider is at law responsible, or due to the Service Provider not fulfilling the terms as required in this Services Agreement.

15. Notices

- 15.01** All notices required or desired to be given to any party in connection with this Services Agreement or arising therefrom shall be in writing and shall be given by prepaid post or hand delivery to the Chair of the Board of the party, at the following addresses:

Corporate Secretary
Brantford Energy Corporation
P.O. Box 308
84 Market St.
Brantford, Ontario, N3T 5N8

Corporate Secretary
Brantford Power Inc.
P.O. Box 308
84 Market St.
Brantford, Ontario, N3T 5N8

Corporate Secretary
Brantford Hydro Inc.
P.O. Box 308
84 Market St.
Brantford, Ontario, N3T 5N8

Corporate Secretary
Brantford Generation Inc.
P.O. Box 308
84 Market St.
Brantford, Ontario, N3T 5N8

Or to such other address or individual as may be designated by written notice to the other parties. Any notice given by personal delivery shall be conclusively deemed to have been given on the day of actual delivery hereof and if sent by prepaid post, on the third day after mailing.

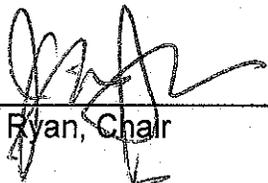
16. Amendments

16.01 Subject to any provisions of the Services Agreement to the contrary, any of the terms of this Services Agreement may be amended with the consent of the parties and any and all amendments shall be in writing and executed by the appropriate authorized signing officers of each Party. All amendments shall be supplemental and form part of this Services Agreement.

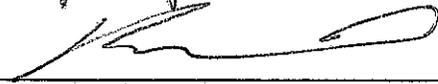
IN WITNESS WHEREOF the parties have duly executed this Agreement on the date first above written:

BRANTFORD ENERGY CORPORATION

Per:



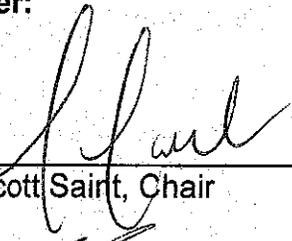
Jim Ryan, Chair



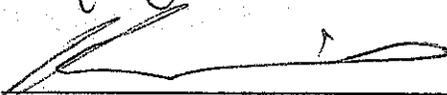
Paul Kwasnik, President & CEO

BRANTFORD POWER INC.

Per:



Scott Saint, Chair



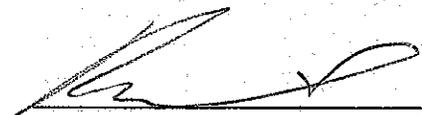
Paul Kwasnik, President & CEO

BRANTFORD HYDRO INC.

Per:



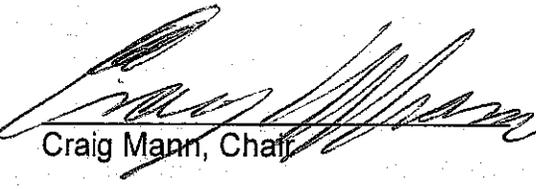
Craig Mann, Chair



Paul Kwasnik, President & CEO

BRANTFORD GENERATION INC.

Per:



Craig Mann, Chair



Paul Kwasnik, President & CEO

APPENDIX "A"

SERVICES AGREEMENT

INDEX OF SCHEDULES

Schedule	Service Provider	Service Recipient	Description
A	BEC	BPI, BHI & BGI	Corporate Management Services
B	BPI	BEC, BHI & BGI	Executive Services
C	BPI	BEC, BHI & BGI	Financial Services

SCHEDULE "A"

SERVICES AGREEMENT – CORPORATE MANAGEMENT SERVICES

1. Service Provider

1.01 The Brantford Energy Corporation is the Service Provider under this Schedule.

2. Service Recipients

2.01 The following companies are the Service Recipients under this Schedule:

Brantford Power Inc.
Brantford Hydro Inc.
Brantford Generation Inc.

3. Master Agreement

3.01 All defined terms used in this Schedule shall have the meanings identified in Section 1 of the Master Agreement.

3.02 This Schedule is subject to the terms and conditions specified in the Master Agreement.

4. Description of Services

4.01 The Service Provider agrees to provide the following services as required by the Service Recipients:

- **Corporate Management Services** including the provision of strategic direction and oversight corporate management services as applicable to the activities of the Service Recipient;

5. Pricing Mechanism

5.01 The prices for the above services will be based on total direct and indirect costs of the Service Provider multiplied by the proportion allocated to the Service Recipient as determined in Section 6. Direct costs specifically attributable to the Service Recipient are excluded from the above calculation and will be paid directly by the Service Recipient.

5.02 The Service Recipient shall pay no more than the Service Provider's Fully-Allocated Cost to provide that service, product, resource or use of asset. The Fully Allocated Cost may include a return on the Service Provider's invested capital. The return on invested capital shall be no higher than the Local Distribution Company's approved weighted average cost of capital.

6. Cost Allocation

6.01 The monthly cost of the services is to be allocated to each Service Recipient on the basis of the cost drivers of the Service Provider related to Service Recipient Activities. Where practicable, the time spent will be determined by time docketing.

6.02 The estimate of the time spent by the Service Provider will be determined with input of the Service Recipients at the time the annual budgets are prepared based on the expected services required during the upcoming fiscal year.

6.03 The annual cost allocation estimates will remain in place until they are updated pursuant to any of the applicable provisions of Section 6.

6.04 If either the Service Recipient or Service Provider cannot agree on the need for a change to the cost allocations, the matter can be resolved in accordance with Section 6 of the Master Agreement.

7. Apportionment of Risk

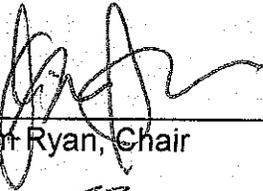
7.01 Any risk associated with the under or over provision of services will be borne by the parties agreeing to the cost allocation formula identified in Section 6.

7.02 In situations where the Service Recipient or the Service Provider is of the opinion that the risks absorbed under Section 7.01 is unreasonable, the party can initiate a review in the cost allocation estimates under Section 6.04.

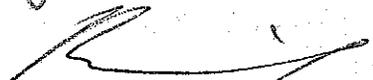
IN WITNESS WHEREOF the parties have duly executed this Schedule "A" on April ____, 2015:

BRANTFORD ENERGY CORPORATION

Per:



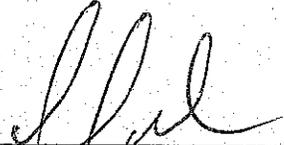
Jim Ryan, Chair



Paul Kwasnik, President & CEO

BRANTFORD POWER INC.

Per:



Scott Saint, Chair



Paul Kwasnik, President & CEO

BRANTFORD HYDRO INC.

Per:



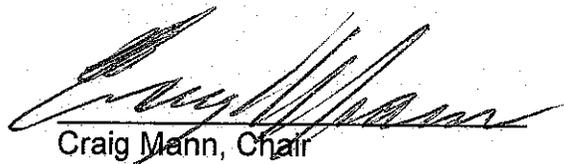
Craig Mann, Chair



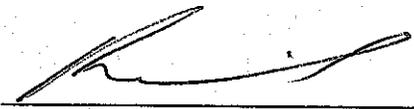
Paul Kwasnik, President & CEO

BRANTFORD GENERATION INC.

Per:



Craig Mann, Chair



Paul Kwasnik, President & CEO

SCHEDULE "B"

SERVICES AGREEMENT – EXECUTIVE SERVICES

1. Service Provider

1.01 Brantford Power Inc. is the Service Provider under this Schedule.

2. Service Recipients

2.01 The following companies are the Service Recipients under this Schedule:

Brantford Energy Corporation
Brantford Hydro Inc.
Brantford Generation Inc.

3. Master Agreement

3.01 All defined terms used in this Schedule shall have the meanings identified in Section 1 of the Master Agreement.

3.02 This Schedule is subject to the terms and conditions specified in the Master Agreement.

4. Description of Services

4.01 The Service Provider agrees to provide the following services as required by the Service Recipients:

- **President & CEO** including all statutory and other activities of the President & CEO and President & CEO's Office as applicable to the activities of the Service Recipient;
- **CFO & Vice President of Corporate Services, Corporate Secretary** including all statutory and other responsibilities as applicable to the activities of the Service Recipient;
- **Executive Assistant to the President & CEO;** including all administrative and Board support responsibilities as applicable to the activities of the Service Recipient.

5. Pricing Mechanism

- 5.01 The prices for the above services will be based on total direct and indirect costs of the Service Provider multiplied by the proportion allocated to the Service Recipient as determined in Section 6. Direct costs specifically attributable to the Service Recipient are excluded from the above calculation and will be paid directly by the Service Recipient.
- 5.02 The Service Provider shall charge no less than its fully-allocated cost to provide that service, product, resource or use of asset. The fully-allocated cost shall include a return on the utility's invested capital. The return on invested capital shall be no less than the utility's approved weighted average cost of capital.

6. Cost Allocation

- 6.01 The monthly cost of the services is to be allocated to each Service Recipient on the basis of the cost drivers of the Service Provider related to Service Recipient Activities. Where practicable, the time spent will be determined by time docketing.
- 6.02 The estimate of the time spent by the Service Provider will be determined with input of the Service Recipients at the time the annual budgets are prepared based on the expected services required during the upcoming fiscal year.
- 6.03 The annual cost allocation estimates will remain in place until they are updated pursuant to any of the applicable provisions of Section 6.
- 6.04 If either the Service Recipient or Service Provider cannot agree on the need for a change to the cost allocations, the matter can be resolved in accordance with Section 6 of the Master Agreement.

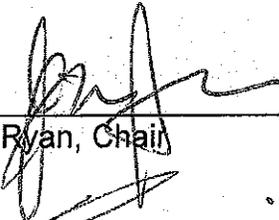
7. Apportionment of Risk

- 7.01 Any risk associated with the under or over provision of services will be borne by the parties agreeing to the cost allocation formula identified in Section 6.
- 7.02 In situations where the Service Recipient or the Service Provider is of the opinion that the risks absorbed under Section 7.01 is unreasonable, the party can initiate a review in the cost allocation estimates under Section 6.04.

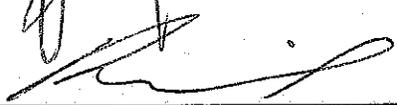
IN WITNESS WHEREOF the parties have duly executed this Schedule "B" on April ____, 2015:

BRANTFORD ENERGY CORPORATION

Per:



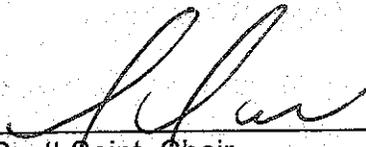
Jim Ryan, Chair



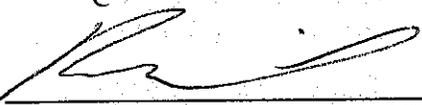
Paul Kwasnik, President & CEO

BRANTFORD POWER INC.

Per:



Scott Saint, Chair



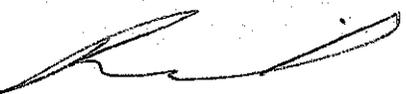
Paul Kwasnik, President & CEO

BRANTFORD HYDRO INC.

Per:



Craig Mann, Chair



Paul Kwasnik, President & CEO

BRANTFORD GENERATION INC.

Per:



Craig Mann, Chair



Paul Kwasnik, President & CEO

SCHEDULE "C"

SERVICES AGREEMENT – FINANCIAL SERVICES

1. Service Provider

1.01 The Brantford Power Inc. is the Service Provider under this Schedule.

2. Service Recipients

2.01 The following companies are the Service Recipients under this Schedule:

Brantford Energy Corporation
Brantford Hydro Inc.
Brantford Generation Inc.

3. Master Agreement

3.01 All defined terms used in this Schedule shall have the meanings identified in Section 1 of the Master Agreement.

3.02 This Schedule is subject to the terms and conditions specified in the Master Agreement.

4. Description of Services

4.01 The Service Provider agrees to provide the following services as required by the Service Recipients:

- **Financial Services** including all necessary accounting, banking and cash management, budgeting, accounts receivable, accounts payable, reporting, risk management, tax/PILS administration and other financial services related to the activities of the Service Recipient.

5. Pricing Mechanism

5.01 The prices for the above services will be based on total direct and indirect costs of the Service Provider multiplied by the proportion allocated to the Service Recipient as determined in Section 6. Direct costs specifically attributable to the Service Recipient are excluded from the above calculation and will be paid directly by the Service Recipient.

5.02 The Service Provider shall charge no less than its fully-allocated cost to provide that service, product, resource or use of asset. The fully-allocated cost shall include a return on the utility's invested capital. The return on invested capital shall be no less than the utility's approved weighted average cost of capital.

6. Cost Allocation

6.01 The monthly cost of the services is to be allocated to each Service Recipient on the basis of the cost drivers of the Service Provider related to Service Recipient Activities. Where practicable, the time spent will be determined by time docketing.

6.02 The estimate of the time spent by the Service Provider will be determined with input of the Service Recipients at the time the annual budgets are prepared based on the expected services required during the upcoming fiscal year.

6.03 The annual cost allocation estimates will remain in place until they are updated pursuant to any of the applicable provisions of Section 6.

6.04 If either the Service Recipient or Service Provider cannot agree on the need for a change to the cost allocations, the matter can be resolved in accordance with Section 6 of the Master Agreement.

7. Apportionment of Risk

7.01 Any risk associated with the under or over provision of services will be borne by the parties agreeing to the cost allocation formula identified in Section 6.

7.02 In situations where the Service Recipient or the Service Provider is of the opinion that the risks absorbed under Section 7.01 is unreasonable, the party can initiate a review in the cost allocation estimates under Section 6.04.

IN WITNESS WHEREOF the parties have duly executed this Schedule "C" on April ____, 2015:

BRANTFORD ENERGY CORPORATION

Per:



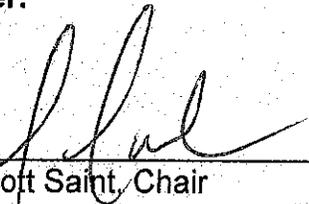
Jim Ryan, Chair



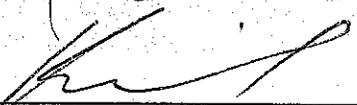
Paul Kwasnik, President & CEO

BRANTFORD POWER INC.

Per:



Scott Saint, Chair



Paul Kwasnik, President & CEO

BRANTFORD HYDRO INC.

Per:



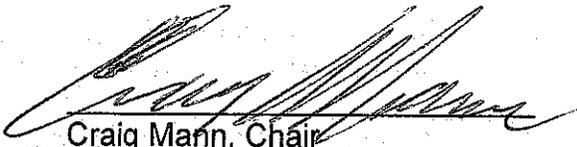
Craig Mann, Chair



Paul Kwasnik, President & CEO

BRANTFORD GENERATION INC.

Per:



Craig Mann, Chair



Paul Kwasnik, President & CEO

Brantford Power Inc.

EB-2016-0058

Exhibit 4

Attachment 4-E

Filed: May 4, 2016

Attachment 4-E

Capital Asset Accounting Policy

BRANTFORD POWER INC.

Policy No.: 22

Policy: ACCOUNTING POLICY- CAPITAL ASSETS

Date Adopted: September 27, 2012

1) Purpose

The following represents the Accounting Policy to be used by the Company for recording capital assets including property plant and equipment and intangible assets. Such capital assets will comprise assets that are included in rate base for rate regulation purposes as well as assets that are related to any non-rate regulated activities of the Company.

2) Guidelines

The Company's Capital assets Policy has been developed to be consistent with:

- International Financial Reporting Standards as contained in Part I of the Canadian Institute of Chartered Accountants (CICA) Handbook;
- The Ontario Energy Board's (OEB) Accounting Procedures Handbook for Electricity Distributors.

As accounting instructions are issued by the OEB for rate making and regulatory monitoring purposes and accounting standards are approved by the Canadian Accounting Standards Board (AcSB) for use in general purpose external financial reporting, there may be circumstances where differences will exist in proposed accounting treatment for the same transactions. In those circumstances, BPI's accounting policy for capital assets will comply with the requirements specified by both bodies when preparing financial reporting for their respective purposes.

BPI will generally harmonize its accounting treatment for capital assets in keeping with the OEB's requirements unless such treatment is specifically prohibited or the regulatory treatment is not in keeping with generally accepted practice in the preparation of general purpose financial reporting.

3) Types of Capital assets

The Company's capital expenditures will typically include additions to the following types of capital assets:

- a) Like or grouped capital assets:** Like or grouped capital assets are those individually insignificant items that by their nature may make identification of individual items impractical for accounting purposes. As such, recognition criteria are applied to the aggregate value rather than to individual items. Examples include poles, conductor, low voltage transformers and low value meters etc.
- b) Readily identifiable asset or component:** A readily identifiable asset or component is an asset or a component of a major asset that has a significant unit cost for financial reporting purposes and is tracked on an individual unit basis

(i.e., not a like or grouped capital asset as discussed above). Accordingly, any capital asset or component that is readily identifiable in the records should be separately accounted for and depreciated over its estimated useful life. The asset or component must remain on the books as long as the asset or component exists and is capable of providing future benefit.

- c) Major Spare Parts and Stand-by Equipment:** Spare parts and servicing equipment are usually carried as inventory and recognized in profit or loss as consumed. However, major spare parts and stand-by equipment qualify as property, plant and equipment when the Company expects to use them during more than one period. Similarly, if the spare parts and servicing equipment can be used only in connection with a specific item of property, plant and equipment, they are accounted for as property, plant and equipment.

In most cases major spare parts and stand-by equipment (e.g. transformers and meters) should be accounted for as property, plant and equipment even if the items are physically stored in inventory. This is the case as it is expected that:

- i) these items are not held for sale in the ordinary course of business or will not be consumed in the rendering of distribution or other Company services;
- ii) the cost of the item can be measured reliably;
- iii) the item has a longer period of future economic benefit as compared to typical inventory items;
- iv) they form an integral part of the original distribution plant by enhancing the system reliability.

- d) Intangible assets:** Is other identifiable non-monetary asset without physical substance. For the Company, this would typically include software, land rights, and certain capital contributions paid by the distributor.

4) Capital Expenditures - General

An expenditure can be recognized as an asset when the Company purchases and acquires legal title to any item included in the four types of capital assets listed above provided that:

- a) They embody a future economic benefit i.e., they have the potential to contribute directly or indirectly, to the flow of cash or cash equivalents to the Company;
- b) The Company controls access to the benefit;
- c) The transaction or event giving right to the Company's right to, or control of, the benefit has already occurred;
- d) They are held for use in the supply of electricity distribution or other Company services, for administrative purposes or for the development, construction, maintenance or repair of other capital assets;
- e) They have been acquired constructed or developed with the intention of being used on a continuing basis for more than one fiscal period;
- f) They are not intended for sale in the ordinary course of business;
- g) It is probable that the future economic benefits associated with the item will flow to

the Company;

h) The cost of the item can be measured reliably.

5) Capital Expenditures – Property plant and equipment Measurement and Recognition

Property, plant and equipment should be measured at its cost, which includes

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates. In the case of assets contributed in kind by developers or other customers pursuant to the Company's conditions of service, the gross value of assets contributed as outlined in the final engineer's project certificate;
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The following are examples of directly attributable costs. These examples are illustrative and are not intended to be reflect all directly attributable costs:
 - i) costs of employee labor and benefits arising directly from the construction or acquisition of the item of property, plant and equipment;
 - ii) costs of site preparation;
 - iii) initial delivery and handling costs;
 - iv) installation and assembly costs;
 - v) costs of testing whether the asset is functioning properly;
 - vi) professional fees.

Costs that are not considered directly attributable and would not be added to the cost of property plant and equipment include the following:

- i) costs of opening a new facility;
 - ii) costs of introducing a new product or service (including costs of advertising and promotional activities);
 - iii) costs of conducting business in a new location or with a new class of customer (including costs of staff training); and
 - iv) administration and other general overhead costs.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Recognition of costs ceases when the item is in the location and condition necessary for it to be capable of operating in the manner intended by management. Therefore, costs

incurred in using or redeploying an item is not included in the carrying amount of that item.

6) Capital Expenditures – Intangible Assets Measurement and Recognition

Intangible assets (software, land rights, certain capital contributions to distributors and transmitters) acquired by the Company will be measured initially at cost. Where an intangible asset is acquired through separate acquisition, the cost is comprised of the following:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and
- b) any directly attributable cost of preparing the asset for its intended use. Directly attributable costs are similar to such costs outlined for property plant and equipment.

Similar to property, plant and equipment, recognition of costs in the carrying amount of an intangible asset ceases when the asset is in the condition necessary for it to be capable of operating in the manner intended by management.

7) Capital Expenditures – Subsequent Costs - Rebuilding and Refurbishments

All costs for property plant and equipment rebuilding or refurbishments which may be initiated as part of an asset management plan or preventative maintenance program may be added to the cost of property plant and equipment if, and only if:

- a) It is probable that future economic benefits associated with the item will flow to the Company;
- b) The cost of the item can be measured reliably.

Although the final decision regarding recognition of such costs into property plant and equipment will depend on the specific circumstances of the situation, an assessment of any impacts on service potential would typically be indicative of probable future economic benefits. Such considerations could include the following:

- a) When there is an increase in the previously assessed physical output or service capacity;
- b) When the associated operating costs are lowered;
- c) When the life or useful life is extended, or;
- d) When the quality of the output is improved.

In any situation where there is no change to the existing service potential, all costs must be reflected as a repair or maintenance costs.

The nature of intangible assets is such that, in many cases, there are no additions to such an asset or replacements of part of it. Accordingly, most subsequent expenditures are likely to maintain the expected future economic benefits embodied in an existing intangible asset. Therefore, only rarely will subsequent expenditure incurred after the initial recognition of an acquired intangible asset or after completion of an internally generated intangible asset will be recognized in the carrying amount of an asset. More typical will be the derecognition of the existing intangible asset offset by a new addition meeting the recognition criteria e.g. major upgrade of software.

7) Capital Expenditures – Derecognition, Disposal and Retirement

The carrying amount of an item of property, plant and equipment shall be derecognized:

- a) On disposal:
- b) When no future economic benefits are expected from its use or disposal.

Any resulting gain or loss on derecognition, disposal and retirement will be recognized an income or expense in the Statement of Operations.

8) Capital Expenditures - Contributions in Aid of Construction: In some cases, the Company may incur expenditures for amounts paid to other distributors or transmitters for capital projects i.e. for transmission upgrades or expansion projects. The costs incurred in these circumstances where no physical assets are acquired will be recorded as an intangible asset at the settlement value.

9) Capital Expenditures – Capitalization of Borrowing Costs: Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset including applicable intangible assets are included in the cost of that asset. A qualifying asset is defined as an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. For Brantford Power Inc. the substantial period of time is deemed to be activities exceeding 12 months duration.

The Company will begin capitalizing borrowing costs as part of the cost of a qualifying asset on the commencement date. The commencement date for capitalization is the date when the Company first meets all of the following conditions:

- a) it incurs expenditures for the asset;
- b) it incurs borrowing costs; and
- c) it undertakes activities that are necessary to prepare the asset for its intended use or sale.

The Company will suspend capitalization of borrowing costs during extended periods in which it suspends active development of the qualifying asset and cease capitalizing borrowing costs when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

9) Capital Expenditures – Materiality Guidelines

Any item deemed a capital asset pursuant to this Policy, will be classified as a capital expenditure as long as their related costs meet or exceed the following minimum dollar value thresholds:

- a) For like or grouped capital assets where the total annual cost of particular like or grouped capital assets purchased or constructed by or for the Company is at least \$10,000 and meet the general capitalization criteria outlined above.

For greater clarity with respect to distribution system related assets, the replacement of a single pole, transformer, switch and related hardware would normally be capitalized provided the addition met the above noted capitalization criteria even if the transaction costs were below \$10,000 as the cumulative total

value of such additions to like or grouped capital assets during a particular fiscal year would exceed the \$10,000 criteria.

- b) For identifiable assets, the asset is at least \$1,000;
- c) All items that fall below the thresholds in items 6(a) and (b) shall be expensed in the year of purchase to an appropriate operations or maintenance work orders consistent with the nature of the work performed or to applicable administrative expense accounts as applicable.

10) Capital Expenditures – Other Considerations

The following additional considerations are provided to ensure the correct accounting of capital expenditures:

- a) Specific expenses for goods or services that are directly related to a capital project even though the particular good or service would not be considered capital had it been purchased as an unrelated purchase, are to be capitalized as part of the said capital project provided they are not administrative or general overhead in nature;
- b) The gross value of distribution plant constructed by others but assumed by the Company will be recorded in the applicable capital asset accounts and in the offsetting contra account for contributed capital based on the costing information contained in the developers' Engineer's certificates;
- c) Where circumstances arise that in the opinion of the CFO, in consultation with the Company's external auditors, the application of the above guidelines would not accurately reflect the substance of the purchase in the Company's accounts, the transaction should be recorded in a fashion that fairly presents the nature of the transaction in keeping with relevant accounting standards.

11) Depreciation and Amortization

There are a number of factors that the Company must consider to comply with its obligation to depreciate and amortize certain capital assets. Among the most significant which forms part of the Capital assets Policy are the following:

- a) For general purpose financial statement reporting, the Company is required to perform a review of depreciation/amortization methods and useful lives at least at each financial year end.

As many of the assets have long service lives, changes to useful lives would typically be implemented in tandem with cost of service applications to maintain harmonization between capital asset values for regulatory and general purposes. Nevertheless, where there is clear evidence that useful lives selected are inappropriate; the Company will consider proceeding with such a change.

- b) The residual value will also be reviewed at least every financial year-end to ensure the depreciation of an asset ceases when the carrying amount of the asset is equal to the residual value for that asset. The *residual value* of an asset is the estimated amount that the Company would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.
- c) Significant parts or components of an asset that are significant in relation to the

total cost of an asset will be depreciated separately when the component's useful life differs from the primary asset.

- d) In line with the discussion above related to Grouped or like assets, the vintage basis of depreciation is the system of categorizing like assets together for depreciation purposes using a depreciation method that will allocate the combined cost of the assets over their estimated useful life in a rational and systematic manner. The Company will use this approach in depreciating or amortizing like or grouped capital assets.
- e) While depreciation and amortization expense is typically included in net income, there are situations where it may be included in the carrying amount of another asset. In these situations, the future economic benefits embodied in an asset are absorbed in producing other assets. In this case, the depreciation charge constitutes part of the cost of the other asset and is included in its carrying amount. For example, the Company includes in the cost of a self-constructed asset, amounts related to depreciation of vehicles used in the construction of that asset.
- f) Depreciation or amortization of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. Depreciation or amortization of an asset ceases at the earlier of the date that the asset is classified as held for sale and the date that the asset is derecognized. Therefore, depreciation does not cease when the asset becomes idle or is retired from active use unless the asset is fully depreciated.
- g) The future economic benefits embodied in an asset are consumed by the Company principally through its use. However, other factors, such as technical or commercial obsolescence and wear and tear while an asset remains idle, often result in the diminution of the economic benefits that might have been obtained from the asset. Consequently, all the following factors are to be considered in determining the useful life of an asset:
 - i) Expected usage of the asset. Usage is assessed by reference to the asset's expected capacity or physical output;
 - ii) Expected physical wear and tear, which depends on operational factors such as the number of shifts for which the asset is to be used and the repair and maintenance program, and the care and maintenance of the asset while idle;
 - iii) Technical or commercial obsolescence arising from changes or improvements in production, or from a change in the market demand for the product or service output of the asset;
 - iv) Legal or similar limits on the use of the asset e.g. expiry dates of licenses or leases.

The useful life of an asset is defined in terms of the asset's expected utility to the Company. The asset management policy of the Company factors various attributes in determining the expected disposal time incorporating condition assessment and probability of failure. Therefore, the useful life of an asset may be shorter than its economic or physical life. The estimation of the useful life of

the asset is a matter of judgment based on the experience of the Company with similar assets in similar installations.

Brantford Power Inc.

EB-2016-0058

Exhibit 4

Attachment 4-F

Filed: May 4, 2016

Attachment 4-F

PILs Workform- Attached as Live Excel

Brantford Power Inc.

EB-2016-0058

Exhibit 4

Attachment 4-G

Filed: May 4, 2016

Attachment 4-G

2015 Draft Income Tax Return and 2014 Income Tax Return

T2 Corporation Income Tax Return

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* and *Income Tax Regulations*. 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 86585 8773 RC0001

Corporation's name
002 Brantford Power Inc.

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 84 MARKET SQUARE
012 PO BOX 308
City Province, territory, or state
015 BRANTFORD 016 ON
Country (other than Canada) Postal code/Zip code
017 CA 018 N3T 5N8

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 BRANTFORD 026 ON
Country (other than Canada) Postal code/Zip code
027 CA 028 N3T 5N8

Location of books and records (if different from head office address)
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 84 MARKET SQUARE
032 PO BOX 308
City Province, territory, or state
035 BRANTFORD 036 ON
Country (other than Canada) Postal code/Zip code
037 CA 038 N3T 5N8

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 2015-01-01 061 2015-12-31
YYYY MM DD YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the tax year start on line 060? 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 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
095 096 098

Attachments

Financial statement information: Use GIF1 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 who own voting shares?	<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 checked="" type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input checked="" type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter?	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership account 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 own any shares in one or more foreign affiliates in the tax 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 <i>Income Tax Regulations</i> ?	<input type="checkbox"/>	29
Did the corporation have a total amount over \$1 million of reportable transactions with non-arm's length non-residents?	<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"/>	88
Does the corporation earn income from one or more Internet webpages or websites?	<input checked="" type="checkbox"/>	1
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	<input checked="" type="checkbox"/>	2
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 checked="" type="checkbox"/>	3
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input checked="" type="checkbox"/>	4
Is the corporation claiming any type of losses?	<input checked="" type="checkbox"/>	5
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	<input checked="" type="checkbox"/>	6
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	<input type="checkbox"/>	7
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 ii) does the corporation have aggregate investment income at line 440?	<input type="checkbox"/>	8
Does the corporation have any property that is eligible for capital cost allowance?	<input checked="" type="checkbox"/>	10
Does the corporation have any property that is eligible capital property?	<input checked="" type="checkbox"/>	12
Does the corporation have any resource-related deductions?	<input checked="" type="checkbox"/>	13
Is the corporation claiming deductible reserves (other than transitional reserves under section 34.2)?	<input checked="" type="checkbox"/>	16
Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	17
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	<input type="checkbox"/>	18
Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	20
Is the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/>	21
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	<input type="checkbox"/>	27
Does the corporation have any Canadian manufacturing and processing profits?	<input checked="" type="checkbox"/>	31
Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	T661
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	<input checked="" type="checkbox"/>	33/34/35
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	<input checked="" type="checkbox"/>	37
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	<input checked="" type="checkbox"/>	38
Is the corporation claiming a surtax credit?	<input type="checkbox"/>	42
Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	43
Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	45
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"/>	46
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	39
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	<input type="checkbox"/>	T1131
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"/>	T1177
Is the corporation claiming a Canadian film or video production tax credit refund?	<input type="checkbox"/>	92
Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/>	
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	<input type="checkbox"/>	

Attachments – continued from page 2

	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	<input type="checkbox"/>	T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN\$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 checked="" 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 checked="" type="checkbox"/>	2 No <input 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		
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	ELECTRICITY DISTRIBUTION	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	3,027,691	A
Deduct: Charitable donations from Schedule 2	311	2,600	
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	3,025,091	
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 3,027,691	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 3.5 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction

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

Income from active business carried on in Canada from Schedule 7	400	3,027,691	A
Taxable income from line 360 on page 3, minus 100/28 3.57143 of the amount on line 632* on page 7, minus 4 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 ***	88,142	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	Number of days in the tax year before January 1, 2016	365	x	17 % =	1	
		Number of days in the tax year	365				
Amount A, B, C, or F, whichever is the least	x	Number of days in the tax year after December 31, 2015, and before January 1, 2017	365	x	17.5 % =	2	
		Number of days in the tax year	365				
Total of amounts 1 and 2 (enter amount G on line I on page 7)						430	G

* 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.

** 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 page 3 (line 360 or amount Z, whichever applies)	.....	_____	A
Lesser of amounts B9 and H9 from Part 9 of Schedule 27	.....	_____	B
Amount K13 from Part 13 of Schedule 27	.....	_____	C
Personal service business income	.....	432	D
Amount used to calculate the credit union deduction (amount F 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
Subtotal (add amounts B to G)	.....	=====▶	H
Amount A minus amount H (if negative, enter "0")	.....	=====	I
General tax reduction for Canadian-controlled private corporations – Amount I multiplied by	13 %	.....	J

Enter amount J on line 638 on page 7.

* 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)	.....	_____	K
Lesser of amounts B9 and H9 from Part 9 of Schedule 27	.....	_____	L
Amount K13 from Part 13 of Schedule 27	.....	_____	M
Personal service business income	.....	434	N
Amount used to calculate the credit union deduction (amount F from Schedule 17)	.....	_____	O
Subtotal (add amounts L to O)	.....	=====▶	P
Amount K minus amount P (if negative, enter "0")	.....	=====	Q
General tax reduction – Amount Q multiplied by	13 %	.....	R

Enter amount R on line 639 on page 7.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7	440	x (26 2 / 3 + 4 x _____) %	=	A
		Number of days in the tax year after 2015		
		365		
		Number of days in the tax year		
Foreign non-business income tax credit from line 632 on page 7				B
Deduct:				
Foreign investment income from Schedule 7	445	x (9 1 / 3 - 1 1 / 3 x _____) %	=	C
		Number of days in the tax year after 2015		
		365		
		Number of days in the tax year		
		(if negative, enter "0")	▶	D
Amount A minus amount D (if negative, enter "0")				E
Taxable income from line 360 on page 3				F
Deduct:				
Amount from line 400, 405, 410, or 425 on page 4, whichever is the least				G
Foreign non-business income tax credit from line 632 on page 7		x 100 / 35 =		H
Foreign business income tax credit from line 636 on page 7		x 4 =		I
		Subtotal	▶	J
				K
		x (26 2 / 3 + 4 x _____) %	=	L
		Number of days in the tax year after 2015		
		Number of days in the tax year		
		365		
Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 8)				M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least				450 N

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the previous tax year	460			
Deduct: Dividend refund for the previous tax year	465			O
Add the total of:				
Refundable portion of Part I tax from line 450 above				P
Total Part IV tax payable from Schedule 3				Q
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation	480			R
Refundable dividend tax on hand at the end of the tax year – Amount O plus amount R				485

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	1,000,000	x [(1 / 3) + (5 x _____) %]	=	333,333 S
		Number of days in the tax year after 2015		
		365		
		Number of days in the tax year		
Refundable dividend tax on hand at the end of the tax year from line 485 above				T
Dividend refund – Amount S or T, whichever is less				U
Enter amount U on line 784 on page 8.				

Part I tax

Base amount 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 _____ C

Taxable income from line 360 on page 3 _____ D

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

Net amount (amount D minus amount E) **▶** _____ F

Refundable tax on CCPC's investment income –
Number of days in the tax year after 2015
(6 2 / 3 + 4 × _____) % of whichever is less: amount C or amount F **604** _____ G
365
Number of days in the tax year

Subtotal (add amounts A, B, and G) _____ H

Deduct:

Small business deduction from line 430 on page 4 _____ I

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 J on page 5 **638** _____

General tax reduction from amount R on page 5 **639** _____

Federal logging tax credit from Schedule 21 **640** _____

Eligible Canadian bank deduction under section 125.21 **641** _____

Federal qualifying environmental trust tax credit **648** _____

Investment tax credit from Schedule 31 **652** _____

Subtotal _____ **▶** _____ J

Part I tax payable – Amount H minus amount J _____ K
Enter amount K on line 700 on page 8.

Privacy statement

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source <http://www.cra-arc.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html>, personal information bank CRA PPU 047.

Summary of tax and credits

Federal tax

Part I tax payable from amount K on 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**
Total tax payable **770** _____ A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount U on 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	20,000
Tax instalments paid	840	99,504
Total credits	890	119,504

Refund code **894** 1 Overpayment 119,504 ← Balance (amount A minus amount B) -119,504 B

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 result is positive, you have a **balance unpaid**.
If the result is negative, you have an **overpayment**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid _____

For information on how to make your payment, go to www.cra-arc.gc.ca/payments.

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

If this return was prepared by a tax preparer for a fee, provide their EFILE number **920** _____

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

Certification

I, **950** D'AMBOISE **951** BRIAN **954** CFO & VP Corporate Services
Last name (print) First name (print) 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 2016-04-26 Signature of the authorized signing officer of the corporation **956** (519) 751-3522
Date (yyyy/mm/dd) 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 (print) **959** _____
Telephone number

Language of correspondence – Langue de correspondance

Indicate your language of correspondence by entering 1 for English or 2 for French. **990** 1
Indiquez votre langue de correspondance en inscrivant 1 pour anglais ou 2 pour français.

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF1

Corporation's name	Business number	Tax year end Year Month Day
Brantford Power Inc.	86585 8773 RC0001	2015-12-31

Balance sheet information

Account	Description	GIFI	Current year	Prior year
Assets				
	Total current assets	1599 +	36,695,253	33,641,108
	Total tangible capital assets	2008 +	71,046,079	101,567,323
	Total accumulated amortization of tangible capital assets	2009 -	5,990,842	37,964,718
	Total intangible capital assets	2178 +	1,165,571	641,038
	Total accumulated amortization of intangible capital assets	2179 -	325,552	
	Total long-term assets	2589 +	6,897,781	7,421,346
	* Assets held in trust	2590 +		
	Total assets (mandatory field)	2599 =	<u>109,488,290</u>	<u>105,306,097</u>
Liabilities				
	Total current liabilities	3139 +	19,551,962	18,355,823
	Total long-term liabilities	3450 +	48,139,324	47,881,035
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 =	<u>67,691,286</u>	<u>66,236,858</u>
Shareholder equity				
	Total shareholder equity (mandatory field)	3620 +	41,797,004	39,069,239
	Total liabilities and shareholder equity	3640 =	<u>109,488,290</u>	<u>105,306,097</u>
Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849 =	<u>18,639,595</u>	<u>16,724,891</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

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year end Year Month Day 2015-12-31
--------------------------------------------	--------------------------------------	----------------------------------------------

Income statement information

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

Account	Description	GIFI	Current year	Prior year
---------	-------------	------	--------------	------------

Account	Description	GIFI	Current year	Prior year
	Income statement information			
	Total sales of goods and services	8089 +	21,222,171	20,012,065
	Cost of sales	8518 -		
	Gross profit/loss	8519 =	21,222,171	20,012,065
	Cost of sales	8518 +		
	Total operating expenses	9367 +	17,361,794	18,131,101
	Total expenses (mandatory field)	9368 =	17,361,794	18,131,101
	Total revenue (mandatory field)	8299 +	22,752,929	20,744,651
	Total expenses (mandatory field)	9368 -	17,361,794	18,131,101
	Net non-farming income	9369 =	5,391,135	2,613,550

Account	Description	GIFI	Current year	Prior year
	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 =	5,391,135	2,613,550
--	-------------------------------------------------------------	--------	-----------	-----------

	Total other comprehensive income	9998 =	23,312	26,347
--	-----------------------------------------	--------	--------	--------

Account	Description	GIFI	Current year	Prior year
	Extraordinary items and income (linked to Schedule 140)			
	Extraordinary item(s)	9975 -		
	Legal settlements	9976 -		
	Unrealized gains/losses	9980 +		
	Unusual items	9985 -	1,148,177	
	Current income taxes	9990 -	263,594	
	Future (deferred) income tax provision	9995 -	875,508	23,920
	Total – Other comprehensive income	9998 +	23,312	26,347
	Net income/loss after taxes and extraordinary items (mandatory field)	9999 =	3,127,168	2,615,977

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

Notes Checklist

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year-end Year Month Day 2015-12-31
------------------------------------------------	------------------------------------------	----------------------------------------------

- 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. 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.
- For more information, see Guide RC4088, *General Index of Financial Information (GIFI)* and T4012, *T2 Corporation – Income Tax Guide*.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

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

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.

*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.

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 (other than trade receivables)?

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.

T2 BAR CODE RETURN

Name: Brantford Power Inc.

BN: 86585 8773 RC 0001

Tax Year Start: 2015-01-01

Tax Year End: 2015-12-31

attached.

draft

SCHEDULE 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF1

Form identifier 100

Name of corporation	Business Number	Tax year-end Year Month Day
Brantford Power Inc.	86585 8773 RC0001	2015-12-31

Assets – lines 1000 to 2599

1000	12,891,079	1060	10,092,566	1066	99,504
1120	1,130,595	1125	12,149,878	1484	331,631
1599	36,695,253	1600	181,960	1900	70,864,119
1901	-5,990,842	2008	71,046,079	2009	-5,990,842
2010	1,165,571	2011	-325,552	2178	1,165,571
2179	-325,552	2420	6,897,781	2589	6,897,781
2599	109,488,290				

Liabilities – lines 2600 to 3499

2620	14,875,483	2622	449,725	2860	59,351
2862	1,419,904	2920	1,141,430	2961	1,606,069
3139	19,551,962	3140	40,919,717	3220	837,901
3240	459,557	3320	5,922,149	3450	48,139,324
3499	67,691,286				

Shareholder equity – lines 3500 to 3640

3500	22,437,505	3580	719,904	3600	18,639,595
3620	41,797,004	3640	109,488,290		

Retained earnings – lines 3660 to 3849

3660	16,724,891	3680	3,103,856	3700	-1,000,000
3740	-189,152	3849	18,639,595		

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

SCHEDULE 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIF1

Form identifier 125

Name of corporation	Business Number	Tax year-end Year Month Day
Brantford Power Inc.	86585 8773 RC0001	2015-12-31

Description

Sequence number **0003** 01

Other comprehensive income – lines 7000 to 7020

7008	31,717	7010	8,405
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Revenue – lines 8000 to 8299

8000	21,222,171	8089	21,222,171	8100	352,260
8230	768,268	8239	410,230	8299	22,752,929

Cost of sales – lines 8300 to 8519

8519	21,222,171
-------------	------------

Operating expenses – lines 8520 to 9369

8670	3,171,722	8714	2,245,461	8715	34,528
8960	3,252,215	9270	5,270,689	9284	3,387,179
9367	17,361,794	9368	17,361,794	9369	5,391,135

Extraordinary items and taxes – lines 9970 to 9999

9970	5,391,135	9985	1,148,177	9990	263,594
9995	875,508	9998	23,312	9999	3,127,168

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

Net Income (Loss) for Income Tax Purposes

SCHEDULE 1

Corporation's name Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year end Year Month Day 2015-12-31
------------------------------------------------	------------------------------------------	----------------------------------------------

- 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*.
- All legislative references are to the *Income Tax Act*.

Amount calculated on line 9999 from Schedule 125 3,127,168 A

Add:

Provision for income taxes – current	101	263,594	
Provision for income taxes – deferred	102	875,508	
Amortization of tangible assets	104	3,171,722	
Loss on disposal of assets	111	70,245	
Non-deductible meals and entertainment expenses	121	7,696	
Other reserves on lines 270 and 275 from Schedule 13	125	1,455,091	
Reserves from financial statements – balance at the end of the year	126	3,703,110	
Subtotal of additions		9,546,966	9,546,966

Other additions:

Miscellaneous other additions:

600 CY cumulative adjusted regulatory asset	290	1,606,408	
601 Change in EFB's re IFRS not in P&L	291	926,001	
604			
Total	294		
Subtotal of other additions	199	2,532,409	2,532,409
Total additions	500	12,079,375	12,079,375 B

Amount A plus amount B 15,206,543

Deduct:

Capital cost allowance from Schedule 8	403	3,938,253	
Cumulative eligible capital deduction from Schedule 10	405	60,727	
Other reserves on line 280 from Schedule 13	413	1,606,069	
Reserves from financial statements – balance at the beginning of the year	414	4,544,466	
Subtotal of deductions		10,149,515	10,149,515

Other deductions:

Non-taxable/deductible other comprehensive income items **347** 23,312

Miscellaneous other deductions:

700 Change in Sick Leave re IFRS not in P&L	390	16,380	
701 PY cumulative adjusted regulatory assets	391	1,080,944	
702 tax recovery included in net movement in regulatory balances	392	894,460	
703 Amortization of deferred revenue		14,241	
Total	393	14,241	
704			
Total	394		
Subtotal of other deductions	499	2,029,337	2,029,337
Total deductions	510	12,178,852	12,178,852

Net income (loss) for income tax purposes – enter on line 300 of the T2 return 3,027,691

Attached Schedule with Total

Line 291 – Amount for line 601

Title Line 291 – Amount for line 601

Explanatory note

Balance per prior year was adjusted through RE and OCI due to IFRS conversion. The net adjustments was to change the IFRS EFB liability at December 31, 2014 to \$1,205,061. The old CGAAP number was \$2,099,345. The entire change was booked through RE or OCI in 2014's restated FS. As such, the impact of this needs to be factored into Schedule 1, since otherwise the change in EFB will be considered to have gone through the current year's P&L. There is also a secondary adjustment below for the change that occurred in 2015. The 2015 revised opening balance was \$1,205,061 and it changed to \$1,236,004. Of this change, 31,717 was booked to other comprehensive income and as such is adjusted below.

Description	Amount
IFRS impact of change in EFB	894,284 00
2015 change in EFB booked to OCI	31,717 00
Total	926,001 00

Attached Schedule with Total

Line 390 – Amount for line 700

Title Line 390 – Amount for line 700

Explanatory note

The vested sick leave liability was \$90,030 under CGAAP at December 31, 2014. It was then adjusted to 106,410 under IFRS at December 31, 2014. This change of \$16,380 needs to be factored into the current year Schedule 1. In 2015 S13 shows a net change of \$111,037 - 90,030 = 21,007 addback on the FS. However, \$16,380 of this is not part of the current year P&L so this should be adjusted.

Description	Amount
sick Leave adj re IFRS	16,380 00
Total	16,380 00

draft

Charitable Donations and Gifts

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year-end Year Month Day 2015-12-31
------------------------------------------------	------------------------------------------	----------------------------------------------

- For use by corporations to claim any of the following:
 - the eligible amount of charitable donations to qualified donees;
 - the Ontario community food program donation tax credit for farmers;
 - the eligible amount of gifts to Canada, a province, or a territory;
 - the eligible amount of gifts of certified cultural property;
 - the eligible amount of gifts of certified ecologically sensitive land; or
 - the additional deduction for gifts of medicine.
- All legislative references are the federal *Income Tax Act*, unless otherwise specified.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts are eligible for a 5-year carryforward except for gifts of certified ecologically sensitive land made after February 10, 2014, which are eligible for a 10-year carryforward.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1) of the federal *Act*.
- Subsection 110.1(1.2) of the federal *Act* provides as follows:
 - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
 - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 6.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation - Income Tax Guide*.

Part 1 – Charitable donations

Charity/Recipient	Amount (\$100 or more only)
	Subtotal
	Add: Total donations of less than \$100 each
	Total donations in current tax year

Part 1 – Charitable donations

	Federal	Québec	Alberta
Charitable donations at the end of the previous tax year	2,600 A	2,600	2,600
Deduct: Charitable donations expired after five tax years*	239		
Charitable donations at the beginning of the current tax year	2,600 B	2,600	2,600
Add:			
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250		
Total charitable donations made in the current year (enter this amount on line 112 of Schedule 1)	210		
Subtotal (line 250 plus line 210)	C		
Subtotal (amount B plus amount C)	2,600 D	2,600	2,600
Deduct: Adjustment for an acquisition of control	255		
Total charitable donations available (amount D minus amount on line 255)	2,600 E	2,600	2,600
Deduct: Amount applied in the current year against taxable income (cannot be more than amount O in Part 2) (enter this amount on line 311 of the T2 return)	260	2,600	2,600
Charitable donations closing balance (amount E minus amount on line 260)	280		
Ontario community food program donation for farmers included in the amount on line 260 (for donations made after December 31, 2013)	262		
Ontario community food program donation tax credit for farmers (amount on line 262 multiplied by 25 %)			1

Enter the amount from line 1 on line 420 of Schedule 5, *Tax Calculation Supplementary – Corporations*. The maximum amount you can claim in the current year is whichever is less; the Ontario income tax otherwise payable or the amount on line 1. For more information, see section 103.1.2 of the *Taxation Act, 2007* (Ontario).

* For the federal and Alberta, the gifts expire after five tax years. For Québec, gifts made in a tax year that ended before March 24, 2006, expire after five tax years and gifts made in a tax year that ended after March 23, 2006, expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:	Federal	Québec	Alberta
1 st prior year 2014-12-31			
2 nd prior year 2013-12-31	2,600	2,600	2,600
3 rd prior year 2012-12-31			
4 th prior year 2011-12-31			
5 th prior year 2010-12-31			
6 th prior year* 2009-12-31			
7 th prior year 2008-12-31			
8 th prior year 2007-12-31			
9 th prior year 2006-12-31			
10 th prior year 2005-12-31			
11 th prior year 2004-12-31			
12 th prior year 2003-12-31			
13 th prior year 2002-12-31			
14 th prior year 2001-12-31			
15 th prior year 2000-12-31			
16 th prior year			
17 th prior year			
18 th prior year			
19 th prior year			
20 th prior year			
21 st prior year*			
Total (to line A)	2,600	2,600	2,600

* For the federal and Alberta, the 6th prior year gifts expire in the current year. For Québec, the 6th prior year gifts made in a tax year that ended before March 24, 2006, expire in the current year and the 21st prior year gifts made in a tax year that ended after March 23, 2006, expire in the current year.

Part 2 – Calculation of the maximum allowable deduction for charitable donations

Net income for tax purposes* multiplied by 75 %		2,270,768	F
Taxable capital gains arising in respect of gifts of capital property included in Part 1 **	225		G
Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)	227		H
The amount of the recapture of capital cost allowance in respect of charitable donations	230		
Proceeds of disposition, less outlays and expenses**	I		
Capital cost**	J		
Amount I or J, whichever is less	235		
Amount on line 230 or 235, whichever is less			K
			Subtotal (add amounts G, H, and K)
			L
			Amount L multiplied by 25 %
			M
		2,270,768	Subtotal (amount F plus amount M)
			N
Maximum allowable deduction for charitable donations (enter amount E from Part 1, amount N, or net income for tax purposes, whichever is less)		2,600	O

* For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

** This amount must be prorated by the following calculation: eligible amount of the gift divided by the proceeds of disposition of the gift.

Part 3 – Gifts to Canada, a province, or a territory

Gifts to Canada, a province, or a territory at the end of the previous tax year			A
Deduct: Gifts to Canada, a province, or a territory expired after five tax years	339		
Gifts to Canada, a province, or a territory at the beginning of the current tax year	340		B
Add:			
Gifts to Canada, a province, or a territory transferred on an amalgamation or the wind-up of a subsidiary	350		
Total gifts made to Canada, a province, or a territory in the current year*	310		
			Subtotal (line 350 plus line 310)
			C
			Subtotal (amount B plus amount C)
			D
Deduct:			
Adjustment for an acquisition of control	355		
Amount applied in the current year against taxable income (enter this amount on line 312 of the T2 return)	360		
			Subtotal (line 355 plus line 360)
			E
Gifts to Canada, a province, or a territory closing balance (amount D minus amount E)		380	

* Not applicable for gifts made after February 18, 1997, unless a written agreement was made before this date. If no written agreement exists, enter the amount on line 210 and complete Part 2.

Part 4 – Gifts of certified cultural property

	Federal	Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year			F
Deduct: Gifts of certified cultural property expired after five tax years*	439		
Gifts of certified cultural property at the beginning of the current tax year	440		G
Add:			
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450		
Total gifts of certified cultural property in the current year	410		
			Subtotal (line 450 plus line 410)
			H
			Subtotal (amount G plus amount H)
			I
Deduct:			
Adjustment for an acquisition of control	455		
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460		
			Subtotal (line 455 plus line 460)
			J
Gifts of certified cultural property closing balance (amount I minus amount J)			480

* For the federal and Alberta, the gifts expire after five tax years. For Québec, gifts made in a tax year that ended before March 24, 2006, expire after five tax years and gifts made in a tax year that ended after March 23, 2006, expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1 st prior year	2014-12-31			
2 nd prior year	2013-12-31			
3 rd prior year	2012-12-31			
4 th prior year	2011-12-31			
5 th prior year	2010-12-31			
6 th prior year*	2009-12-31			
7 th prior year	2008-12-31			
8 th prior year	2007-12-31			
9 th prior year	2006-12-31			
10 th prior year	2005-12-31			
11 th prior year	2004-12-31			
12 th prior year	2003-12-31			
13 th prior year	2002-12-31			
14 th prior year	2001-12-31			
15 th prior year	2000-12-31			
16 th prior year				
17 th prior year				
18 th prior year				
19 th prior year				
20 th prior year				
21 st prior year*				
Total				

* For the federal and Alberta, the 6th prior year gifts expire in the current year. For Québec, the 6th prior year gifts made in a tax year that ended before March 24, 2006, expire in the current year and the 21st prior year gifts made in a tax year that ended after March 23, 2006, expire in the current year.

Part 5 – Gifts of certified ecologically sensitive land

	Federal	Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year		K	
Deduct: Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539		
Gifts of certified ecologically sensitive land at the beginning of the current tax year	540	L	
Add:			
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550		
Total current-year gifts of certified ecologically sensitive land made before February 11, 2014	510		
Total current-year gifts of certified ecologically sensitive land made after February 10, 2014	520		
Subtotal (add lines 550, 510, and 520)		M	
Subtotal (amount L plus amount M)		N	
Deduct:			
Adjustment for an acquisition of control	555		
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560		
Subtotal (line 555 plus line 560)		O	
Gifts of certified ecologically sensitive land closing balance (amount N minus amount O)	580		

* For the federal and Alberta, gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec, gifts made during a tax year that ended before March 24, 2006, expire after five tax years and gifts made during a tax year that ended after March 23, 2006 expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date		Federal	Québec	Alberta
Year of origin:				
1 st prior year	2014-12-31			
2 nd prior year	2013-12-31			
3 rd prior year	2012-12-31			
4 th prior year	2011-12-31			
5 th prior year	2010-12-31			
6 th prior year*	2009-12-31			
7 th prior year	2008-12-31			
8 th prior year	2007-12-31			
9 th prior year	2006-12-31			
10 th prior year	2005-12-31			
11 th prior year*	2004-12-31			
12 th prior year	2003-12-31			
13 th prior year	2002-12-31			
14 th prior year	2001-12-31			
15 th prior year	2000-12-31			
16 th prior year				
17 th prior year				
18 th prior year				
19 th prior year				
20 th prior year				
21 st prior year*				
Total				

* For the federal and Alberta, gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to determine the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years.
For Québec, gifts made during a tax year that ended before March 24, 2006, expire after five tax years and gifts made in a tax year that ended after March 23, 2006, expire after twenty tax years.

Part 6 – Additional deduction for gifts of medicine

	Federal	Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year	P		
Deduct: Additional deduction for gifts of medicine expired after five tax years	639		
Additional deduction for gifts of medicine at the beginning of the current tax year	Q		
Add:			
Additional deduction for gifts of medicine transferred on an amalgamation or the wind-up of a subsidiary	650		
Additional deduction for gifts of medicine for the current year:			
Proceeds of disposition	602	1	1
Cost of gifts of medicine	601	2	2
Subtotal (line 1 minus line 2)		3	3
Line 3 multiplied by 50 %		4	4
Eligible amount of gifts	600	5	5
Federal			
a _____ x $\left(\frac{b}{c}\right)$ = Additional deduction for gifts of medicine for the current year	610		
Québec			
a _____ x $\left(\frac{b}{c}\right)$ = Additional deduction for gifts of medicine for the current year			
Alberta			
a _____ x $\left(\frac{b}{c}\right)$ = Additional deduction for gifts of medicine for the current year			
where:			
a is the lesser of line 2 and line 4			
b is the eligible amount of gifts (line 600)			
c is the proceeds of disposition (line 602)			
Subtotal (line 650 plus line 610)		R	
Subtotal (amount Q plus amount R)		S	
Deduct:			
Adjustment for an acquisition of control	655		
Amount applied in the current year against taxable income (enter this amount on line 315 of the T2 return)	660		
Subtotal (line 655 plus line 660)		T	
Additional deduction for gifts of medicine closing balance (amount S minus amount T)	680		

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:	Federal	Québec	Alberta
1 st prior year 2014-12-31			
2 nd prior year 2013-12-31			
3 rd prior year 2012-12-31			
4 th prior year 2011-12-31			
5 th prior year 2010-12-31			
6 th prior year* 2009-12-31			
Total			

* These donations expired in the current year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year	_____	A
Deduct: Gifts of musical instruments expired after twenty tax years	_____	B
Gifts of musical instruments at the beginning of the tax year	_____	C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary	_____	D
Total current-year gifts of musical instruments	_____	E
	Subtotal (line D plus line E)	_____

Deduct: Adjustment for an acquisition of control	_____	G
Total gifts of musical instruments available	_____	H
Deduct: Amount applied against taxable income	_____	I
Gifts of musical instruments closing balance	_____	J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1 st prior year	2014-12-31	_____
2 nd prior year	2013-12-31	_____
3 rd prior year	2012-12-31	_____
4 th prior year	2011-12-31	_____
5 th prior year	2010-12-31	_____
6 th prior year*	2009-12-31	_____
7 th prior year	2008-12-31	_____
8 th prior year	2007-12-31	_____
9 th prior year	2006-12-31	_____
10 th prior year	2005-12-31	_____
11 th prior year	2004-12-31	_____
12 th prior year	2003-12-31	_____
13 th prior year	2002-12-31	_____
14 th prior year	2001-12-31	_____
15 th prior year	2000-12-31	_____
16 th prior year		_____
17 th prior year		_____
18 th prior year		_____
19 th prior year		_____
20 th prior year		_____
21 st prior year*		_____
Total		_____

* These gifts expired in the current year.

**DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND
PART IV TAX CALCULATION**

SCHEDULE 3

Name of corporation Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year-end Year Month Day 2015-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

- This schedule is for the use of any corporation to report:
 - non-taxable dividends under section 83;
 - deductible dividends under subsection 138(6);
 - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (b) or (d); or
 - taxable dividends paid in the tax year that qualify for a dividend refund.
- The calculations in this schedule apply only to private or subject corporations.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- A recipient corporation is connected with a payer corporation at any time in a tax year, if at that time the recipient corporation:
 - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
 - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- Column A – Enter "X" if dividends received from a foreign source (connected corporation only).
- Column F1 – Enter the amount of dividends received reported in column 240 that are eligible.
- Column F2 – Enter the code that applies to the deductible taxable dividend.
- Column FF – Indicate if the dividends have been received before January 1, 2016, or after December 31, 2015. This information is required to determine the appropriate rate for the Part IV tax calculation.

Part 1 – Dividends received in the tax year

Do not include dividends received from foreign non-affiliates.

Name of payer corporation (from which the corporation received the dividend)	Complete if payer corporation is connected				E Non-taxable dividend under section 83
	A	B Enter 1 if payer corporation is connected	C Business Number of connected corporation	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYY/MM/DD (See note)	
200		205	210	220	230
Total (enter on line 402 of Schedule 1)					

Note: If your corporation's tax year-end is different than that of the connected payer corporation, your corporation could have received dividends from more than one tax year of the payer corporation. If so, use a separate line to provide the information for each tax year of the payer corporation. For more details, consult the Help.

F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (b), or (d)*	F1 Eligible dividends (included in column F)	F2	FF	Complete if payer corporation is connected		I Part IV tax before deductions F x rate ***
				G Total taxable dividends paid by connected payer corporation (for tax year in column D)	H Dividend refund of the connected payer corporation (for tax year in column D)**	
240				250	260	270
Total (enter the amount from column F on line 320 of the T2 return and amount J in Part 2)						J

* If taxable dividends are received, enter the amount in column 240, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column 270. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

** If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

*** For dividends received from connected corporations: Part IV tax = $\frac{\text{Column F} \times \text{Column H}}{\text{Column G}}$

Rate: The Part IV tax rate is 38 1/3% for dividends received after December 31, 2015, and 33 1/3% for dividends received before January 1, 2016.

Part 2 – Calculation of Part IV tax payable

Part IV tax before deductions (amount J in Part 1)

Deduct:
 Part IV tax payable on dividends subject to Part IV tax **320**
 Subtotal

Deduct:
 Current-year non-capital loss claimed to reduce Part IV tax **330**
 Non-capital losses from previous years claimed to reduce Part IV tax **335**
 Current-year farm loss claimed to reduce Part IV tax **340**
 Farm losses from previous years claimed to reduce Part IV tax **345**
 Total losses applied against Part IV tax x 1 / 3 =

Part IV tax payable (enter amount on line 712 of the T2 return) **360**

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

	A	B	C	D	D1
	Name of connected recipient corporation	Business Number	Tax year end of connected recipient corporation in which the dividends in column D were received YYYY/MM/DD (See note)	Taxable dividends paid to connected corporations	Eligible dividends (included in column D)
	400	410	420	430	
1	Brantford Energy Corporation	87504 1329 RC0001	2015-12-31	1,000,000	

Note
 If your corporation's tax year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information for each tax year of the recipient corporation. For more details, consult the Help.

Total 1,000,000

Total taxable dividends paid in the tax year to other than connected corporations **450**

Eligible dividends (included in line 450) 450a

Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column D above plus line 450) **460** 1,000,000

Part 4 – Total dividends paid in the tax year

Complete this part if the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460 above) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above) 1,000,000

Other dividends paid in the tax year (total of 510 to 540)

Total dividends paid in the tax year **500** 1,000,000

Deduct:
 Dividends paid out of capital dividend account **510**
 Capital gains dividends **520**
 Dividends paid on shares described in subsection 129(1.2) **530**
 Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year **540**
 Subtotal ▶

Total taxable dividends paid in the tax year that qualify for a dividend refund 1,000,000

Corporation Loss Continuity and Application

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year-end Year Month Day 2015-12-31
------------------------------------------------	------------------------------------------	----------------------------------------------

- 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 before that time is deductible in computing taxable income in a tax year ending after that time. Also, no amount of capital loss incurred in a tax year ending after that time is deductible in computing taxable income of a tax year ending 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.
- All legislative references are to the *Income Tax Act*.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		3,027,691	A
Deduct: (increase a loss)			
Net capital losses deducted in the year (enter as a positive amount)	a		
Taxable dividends deductible under section 112 or subsections 113(1) or 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)			F
Current-year non-capital loss (amount E plus amount F; if positive, enter "0")			G
If amount G is negative, enter it on line 110 as a positive.			

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of the previous tax year		3,430,783	e
Deduct: Non-capital loss expired*	100		f
Non-capital losses at the beginning of the tax year (amount e minus amount f)	102	3,430,783	H
Add:			
Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation	105		g
Current-year non-capital loss (from amount G)	110		h
Subtotal (amount g plus amount h)			I
Subtotal (amount H plus amount I)		3,430,783	J

- * A non-capital loss expires as follows:
- 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 after **10** tax years if it arose in a tax year ending after March 22, 2004.

Part 1 – Non-capital losses (continued)

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	130	3,025,091	k	
Enter amount k on line 331 of the T2 Return.				
Current and previous year non-capital losses applied against current-year taxable dividends subject to Part IV tax**	135		l	
		3,025,091		3,025,091 K
				405,692 L
Subtotal (total of amounts i to l)				
Non-capital losses before any request for a carryback (amount J minus amount K)				
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	
				M
Total of requests to carry back non-capital losses to previous tax years (total of amounts m to r)				
				405,692 N
Closing balance of non-capital losses to be carried forward to future tax years (amount L minus amount M)				
** Amount l is the total of lines 330 and 335 from Schedule 3, <i>Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation</i> .				

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	
				A
Subtotal (amount a plus amount b)				
Deduct:				
Other adjustments (includes adjustments for an acquisition of control)	250		c	
Section 80 – Adjustments for forgiven amounts	240		d	
				B
Subtotal (amount c plus amount d)				
Subtotal (amount A minus amount B)				
Add: Current-year capital loss (from the calculation on Schedule 6, <i>Summary of Dispositions of Capital Property</i>)				D
		210		
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	g	
ABILs expired as non-capital loss: line 215 divided by 0.500000				E
				220
Subtotal (total of amounts C to E)				
Subtotal (total of amounts C to E) F				
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 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 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)

Deduct: Capital losses from previous tax years applied against the current-year net capital gain*** **225** _____ G
 Capital losses before any request for a carryback (amount F **minus** amount G) _____ H

Deduct – Request to carry back capital loss to**:**

	Capital gain (100%)	Amount carried back (100%)	
First previous tax year	951	_____	h
Second previous tax year	952	_____	i
Third previous tax year	953	_____	j
	Subtotal (total of amounts h to j) _____		I
	Closing balance of capital losses to be carried forward to future tax years (amount H minus amount I) 280		J

*** 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.

**** 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 (amount F in Part 1) **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 **330** _____ g
 Enter amount g on line 334 of the T2 Return.
 Current and previous year farm losses applied against current-year taxable dividends subject to Part IV tax** **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.

** Amount h is the total of lines 340 and 345 from Schedule 3.

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 \$ 15,000 *, 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)		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 (from amount C)	410	g
Enter amount g on line 233 of Schedule 1, <i>Net Income (Loss) for Income Tax Purposes</i> .		
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	430	h
Enter amount h on line 333 of the T2 return.		
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.

* For tax years that end before March 21, 2013, use \$6,250 instead of \$15,000.

** 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

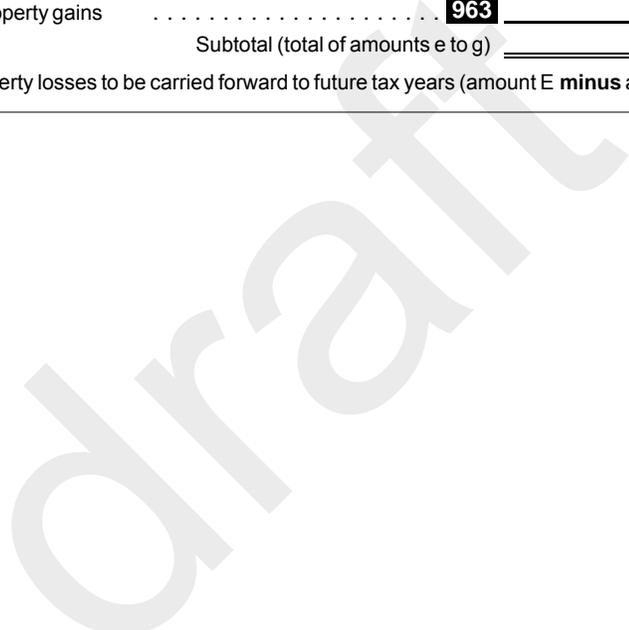
Continuity of listed personal property loss and request for a carryback

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 **530** c
Enter amount c on line 655 of Schedule 6.
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 line 620)	Limited partnership losses applied in the current year (cannot be more than line 650)	Current year limited partnership losses closing balance to be carried forward to future years (column 2 plus column 3 plus column 4 minus column 5)
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 subsection 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.

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 2014-12-31	3,430,783	N/A		N/A	3,025,091		405,692
2nd preceding taxation year 2013-12-31		N/A		N/A			
3rd preceding taxation year 2012-12-31		N/A		N/A			
4th preceding taxation year 2011-12-31		N/A		N/A			
5th preceding taxation year 2010-12-31		N/A		N/A			
6th preceding taxation year 2009-12-31		N/A		N/A			
7th preceding taxation year 2008-12-31		N/A		N/A			
8th preceding taxation year 2007-12-31		N/A		N/A			
9th preceding taxation year 2006-12-31		N/A		N/A			
10th preceding taxation year 2005-12-31		N/A		N/A			
11th preceding taxation year 2004-12-31		N/A		N/A			
12th preceding taxation year 2003-12-31		N/A		N/A			
13th preceding taxation year 2002-12-31		N/A		N/A			
14th preceding taxation year 2001-12-31		N/A		N/A			
15th preceding taxation year 2000-12-31		N/A		N/A			
16th preceding taxation year		N/A		N/A			
17th preceding taxation year		N/A		N/A			
18th preceding taxation year		N/A		N/A			
19th preceding taxation year		N/A		N/A			
20th preceding taxation year		N/A		N/A			*
Total	3,430,783				3,025,091		405,692

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

Tax Calculation Supplementary – Corporations

Corporation's name Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year-end Year Month Day 2015-12-31
------------------------------------------------	------------------------------------------	----------------------------------------------

- 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

100		Enter the Regulation that applies (402 to 413).				
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			G	169	H	

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

** 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*. This does not apply to tax years starting after March 20, 2013.

*** 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:			
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 and Ontario community food program donation tax credit for farmers (amount E6 minus amount on line 416) (if negative, enter "0")			F6
Deduct:			
Ontario corporate minimum tax credit (from Schedule 510)			418
Ontario community food program donation tax credit for farmers (from Schedule 2)			420
Ontario corporate income tax payable (amount F6 minus amounts on line 418 and line 420) (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
			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 20,000
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
			Subtotal 20,000 J6
Net Ontario tax payable or refundable credit (amount I6 minus amount J6)			290 -20,000 K6

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** -20,000

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.

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Capital Cost Allowance (CCA)

Corporation's name Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year end Year Month Day 2015-12-31
------------------------------------------------	------------------------------------------	----------------------------------------------

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 (amount from column 12 of last year's schedule 8)	3 Cost of acquisitions during the year (new property must be available for use)*	4 Adjustments and transfers**	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		958,730			0		958,730	4	0	0	38,349	920,381
2. 8		480,769	202,461		0	101,231	581,999	20	0	0	116,400	566,830
3. 10		493,238	399,909		23,000	188,455	681,692	30	0	0	204,508	665,639
4. 1		27,792,835			0		27,792,835	4	0	0	1,111,713	26,681,122
5. 47		27,712,451	3,120,274		719,752	1,200,261	28,912,712	8	0	0	2,313,017	27,799,956
6. 50		48,829	9,465		0	4,733	53,561	55	0	0	29,459	28,835
7. 12		59,313	112,925		0	56,463	115,775	100	0	0	115,775	56,463
8. 13		17,893	12,050		0	6,025	23,918	NA	0	0	6,317	23,626
9. 13		10,858			0		10,858	NA	0	0	2,715	8,143
Totals		57,574,916	3,857,084		742,752	1,557,168	59,132,080				3,938,253	56,750,995

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).
- ** Enter in column 4, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost. Items that **increase** the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that **reduce** the undepreciated capital cost include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the *T2 Corporation Income Tax Guide* for other examples of adjustments and transfers to include in column 4.
- *** The net cost of acquisitions is the cost of acquisitions (column 3) **plus** or **minus** certain adjustments and transfers 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.
- ***** For every entry in column 9, the "Recapture of capital cost allowance" there must be a corresponding entry in column 5, "Proceeds of dispositions during the year". The recapture and terminal loss rules do not apply to passenger vehicles in Class 10.1.
- ***** 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 (14)

Canada

Fixed Assets Reconciliation

Reconciliation of change in fixed assets per financial statements to amounts used per tax return.

Tax return

Additions for tax purposes – Schedule 8 regular classes		3,845,034	
Additions for tax purposes – Schedule 8 leasehold improvements	+	12,050	
Operating leases capitalized for book purposes	+		
Capital gain deferred	+		
Recapture deferred	+		
Deductible expenses capitalized for book purposes – Schedule 1	+		
Other (specify):			
Change in WIP	+	42,464	
Land rights added to S10	+	254,227	
Capital contributions received classified separate on BS	+	308,810	
		4,462,585	4,462,585
Proceeds up to original cost – Schedule 8 regular classes		742,752	
Proceeds up to original cost – Schedule 8 leasehold improvements	+		
Proceeds in excess of original cost – capital gain	+		
Recapture deferred – as above	+		
Capital gain deferred – as above	+		
Pre V-day appreciation	+		
Other (specify):			
rounding	+	-1,923	
amortization of intangible assets included in total amortization	+	180,221	
stranded meter proceeds including as reduction of reg assets	+	-719,752	
deferred contributions from 2014 reclassified under IFRS	+	-439,812	
disposals of plant held for future use	+	6,500	
		-232,014	-232,014
Depreciation and amortization per accounts – Schedule 1		-	3,171,722
Loss on disposal of fixed assets per accounts		-	70,245
Gain on disposal of fixed assets per accounts		+	
			1,452,632

Financial statements

Fixed assets (excluding land) per financial statements

Closing net book value			64,873,277
Opening net book value	-		63,420,645
		Net change per financial statements	1,452,632

If the amounts from the tax return and the financial statements differ, explain why below.

Attached Schedule with Total

Other – Amount

Title Other – Amount

Description	Amount
	8,475 00
	245,752 00
Total	254,227 00

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RELATED AND ASSOCIATED CORPORATIONS

Name of corporation Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year end Year Month Day 2015-12-31
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- 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*.

	100	200	300	400	500	550	600	650	700
Name	Country of residence (other than Canada)	Business number (see note 1)	Relationship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock	
1. Brantford Energy Corporation		87504 1329 RC0001	1						
2. Brantford Generation Inc		83941 2814 RC0001	3						
3. Brantford Hydro Inc.		87504 1121 RC0001	3						
4. The Corporation of the City of Brant		12268 6793 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

T2 SCH 9 (11)



CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

Name of corporation Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year-end Year Month Day 2015-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

- 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

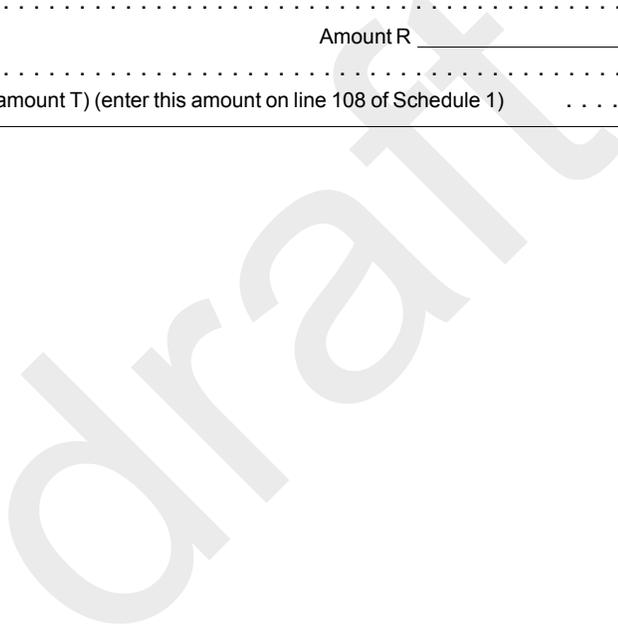
Cumulative eligible capital - Balance at the end of the preceding taxation year (if negative, enter "0")	.....	200	676,857	A
Add: Cost of eligible capital property acquired during the taxation year	.....	222	254,227	
Other adjustments	.....	226		
Subtotal (line 222 plus line 226)	.....		254,227	
	x 3 / 4 =		190,670	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		
	x 1 / 2 =			C
amount B minus amount C (if negative, enter "0")	.....		190,670	D
Amount transferred on amalgamation or wind-up of subsidiary	.....	224		E
Subtotal (add amounts A, D, and E)	.....	230	867,527	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)	.....		
	x 3 / 4 =	248		J
Cumulative eligible capital balance (amount F minus amount J)	.....		867,527	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	.....		867,527	
less amount from line 249	.....		
Current year deduction	.....		867,527	
	x 7.00 % =	250	60,727	*
(line 249 plus line 250) (enter this amount at line 405 of Schedule 1)	.....		60,727	L
Cumulative eligible capital - Closing balance (amount K minus amount L) (if negative, enter "0")	.....	300	806,800	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")	<u> </u>	5
Total of lines 1, 2 and 5	<u> </u>	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	<u> </u>	7
Amounts at line T from Schedule 10 of previous taxation years ending after February 27, 2000	<u> </u>	8
Subtotal (line 7 plus line 8)	409	9
Line 6 minus line 9 (if negative, enter "0")	<u> </u>	O
Line N minus line O (if negative, enter "0")	<u> </u>	P
	Line 5 <u> </u> x 1 / 2 =	Q
Line P minus line Q (if negative, enter "0")	<u> </u>	R
	Amount R <u> </u> x 2 / 3 =	S
Amount N or amount O, whichever is less	<u> </u>	T
Amount to be included in income (amount S plus amount T) (enter this amount on line 108 of Schedule 1)	410	<u> </u>



CONTINUITY OF RESERVES

Name of corporation Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year end Year Month Day 2015-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

- For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.
- File one completed copy of this schedule with the corporation's *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 – Capital gains reserves

Description of property	Balance at the beginning of the year \$	Transfer on an amalgamation or the wind-up of a subsidiary \$	Add \$	Deduct \$	Balance at the end of the year \$
001	002	003			004
1					
Totals	008	009			010

The amount from line 008 plus the amount from line 009 should be entered on line 880 of Schedule 6, *Summary of Dispositions of Capital Property*. The amount from line 010 should be entered on line 885 of Schedule 6.

Part 2 – Other reserves

Description	Balance at the beginning of the year \$	Transfer on an amalgamation or the wind-up of a subsidiary \$	Add \$	Deduct \$	Balance at the end of the year \$
	110	115			120
Reserve for doubtful debts <input type="checkbox"/>					
Reserve for undelivered goods and services not rendered <input checked="" type="checkbox"/>	1,455,091		1,606,069	1,455,091	1,606,069
Reserve for prepaid rent <input type="checkbox"/>					
Reserve for refundable containers <input type="checkbox"/>					
Reserve for unpaid amounts <input type="checkbox"/>					
Other tax reserves <input type="checkbox"/>					
Totals	270 1,455,091	275	1,606,069	1,455,091	280 1,606,069

Enter "X" in the column above if the tax reserve has also been reported on the corporation's financial statements. This allows offsetting entries on Schedule 1, resulting in a zero effect on net income for tax purposes.

The amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1, *Net Income (Loss) for Income Tax Purposes*, as an addition. The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Employee Future Benefits	2,099,345		1,236,004	2,099,345	1,236,004
2	Allowance for Doubtful Account	900,000		750,000	900,000	750,000
3	Vested Sick Leave	90,030		111,037	90,030	111,037
4	Unpaid Severance					
	Reserves from Part 2 of Schedule 13	1,455,091		1,606,069	1,455,091	1,606,069
	Totals	4,544,466		3,703,110	4,544,466	3,703,110

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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MISCELLANEOUS PAYMENTS TO RESIDENTS

Name of corporation Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year end Year Month Day 2015-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

- This schedule must be completed by all corporations who made the following payments to residents of Canada: royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.
- Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

	Name of recipient	Address of recipient	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
	100	200	300	400	500	600	700
1	Brantford Energy Corp	84 Market Square PO Box 308 Brantford ON CA N3T 5N8			160,728		

T2 SCH 14 (99)



Deferred Income Plans

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year end Year Month Day 2015-12-31
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- Complete the information below if the corporation deducted payments from its income made to a registered pension plan (RPP), a registered supplementary unemployment benefit plan (RSUBP), a deferred profit sharing plan (DPSP), a pooled registered pension plan (PRPP), or an employee profit sharing plan (EPSP).
- If the trust that governs an employee profit sharing plan is **not resident** in Canada, please indicate if the T4PS, *Statement of Employees Profit Sharing Plan Allocations and Payments*, Supplementary slip(s) were filed for the last calendar year, and whether they were filed by the trustee or the employer.

Type of plan (see note 1)	Amount of contribution \$ (see note 2)	Registration number (RPP, RSUBP, PRPP, and DPSP only)	Name of EPSP trust	Address of EPSP trust	T4PS slip(s) (see note 3)
100	200	300	400	500	600
1	467,702	0345983			

Note 1

Enter the applicable code number:

- 1 – RPP
- 2 – RSUBP
- 3 – DPSP
- 4 – EPSP
- 5 – PRPP

Note 2

You do not need to add to Schedule 1 any payments you made to deferred income plans. To reconcile such payments, calculate the following amount:

Total of all amounts indicated in column 200 of this schedule	467,702	A
Less:		
Total of all amounts for deferred income plans deducted in your financial statements	467,702	B
Deductible amount for contributions to deferred income plans (amount A minus amount B) (if negative, enter "0")		C

Enter amount C on line 417 of Schedule 1

Note 3

T4PS slip(s) filed by: 1 – Trustee
2 – Employer
(EPSP only)

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
2015

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	Brantford Power Inc.	86585 8773 RC0001	1	500,000		
2	Brantford Energy Corporation	87504 1329 RC0001	1	500,000		
3	Brantford Generation Inc	83941 2814 RC0001	1	500,000		
4	Brantford Hydro Inc.	87504 1121 RC0001	1	500,000	100.0000	500,000
5	The Corporation of the City of Brantford	12268 6793 RC0001	4			
	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

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Investment Tax Credit – Corporations

General information

- Use this schedule:
 - to calculate an investment tax credit (ITC) earned during the tax year;
 - to claim a deduction against Part I tax payable;
 - to claim a refund of credit earned during the current tax year;
 - to claim a carryforward of credit from previous tax years;
 - to transfer a credit following an amalgamation or wind-up of a subsidiary, as described under subsections 87(1) and 88(1) of the federal *Income Tax Act*;
 - to request a credit carryback to one or more previous years; or
 - if you are subject to a recapture of ITC.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- All legislative references are to the federal *Income Tax Act* and *Income Tax Regulations*.
- Investments or expenditures, described in subsection 127(9) of the Act and Part XLVI of the Regulations, that earn an ITC are:
 - qualified property and qualified resource property (Parts 4 to 7 of this schedule);
 - expenditures that are part of the SR&ED qualified expenditure pool (Parts 8 to 17). File Form T661, *Scientific Research and Experimental Development (SR&ED) Expenditures Claim*;
 - pre-production mining expenditures (Parts 18 to 20);
 - apprenticeship job creation expenditures (Parts 21 to 23); and
 - child care spaces expenditures (Parts 24 to 28).
- Include a completed copy of this schedule with the *T2 Corporation Income Tax Return*. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, *T2 Corporation – Income Tax Guide*, Information Circular IC 78-4, *Investment Tax Credit Rates*, and its related Special Release.
- For more information on SR&ED, see Brochure RC4472, *Overview of the Scientific Research and Experimental Development Program (SR&ED) Tax Incentive Program*; Brochure RC4467, *Support for your R&D in Canada*, and T4088, *Guide to Form T661 – Scientific Research and Experimental Development (SR&ED) Expenditures Claim*. Also see the *Eligibility of Work for SR&ED Investment Tax Credits Policy* at www.cra.gc.ca/txcrdt/sred-rsde/clmng/lgblywrkfrsrdnvmnttxcrdts-eng.html.

Detailed information

- For the purpose of this schedule, **investment** means the capital cost of the property (excluding amounts added by an election under section 21 of the Act), determined without reference to subsections 13(7.1) and 13(7.4), minus the amount of any government or non-government assistance that the corporation has received, is entitled to receive, or can reasonably be expected to receive for that property when it files the income tax return for the year in which the property was acquired.
- An ITC deducted or refunded in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces the capital cost of that property in the next tax year. It also reduces the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax year will reduce the balance in the pool of deductible SR&ED expenditures and the adjusted cost base (ACB) of an interest in a partnership in the next tax year. An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration expenses in the next tax year.
- Property acquired has to be **available for use** before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- Expenditures for SR&ED and capital costs for a property qualifying for an ITC must be identified by the claimant on Form T661 and Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- Partnership allocations – Subsection 127(8) provides for the allocation of the amount that may reasonably be considered to be a partner's share of the ITCs of the partnership at the end of the fiscal period of the partnership. An allocation of ITCs is generally considered to be the partner's reasonable share of the ITCs if it is made in the same proportion in which the partners have agreed to share any income or loss and if section 103 is not applicable for the agreement to share any income or loss. Special rules apply to specified and limited partners. For more information, see Guide T4068, *Guide for the Partnership Information Return*.
- For SR&ED expenditures, the expression **in Canada** includes the "exclusive economic zone" (as defined in the *Oceans Act* to generally consist of an area that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil for that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).
- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer **before** March 29, 2012. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and if acquired by the taxpayer **after** March 28, 2012, new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) of the Act for more information.
- For the purpose of this schedule, **qualified resource property** means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer **after** March 28, 2012, and **before** January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of **qualified resource property** in subsection 127(9) of the Act for more information.

Detailed information (continued)

- For the purpose of this schedule, **pre-production mining exploration expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to determine the existence, location, extent, or quality of certain mineral resources in Canada, excluding expenses incurred in the exploration of an oil or gas well. See subparagraph (a)(i) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining development expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to bring a new mineral resource mine in Canada into production, excluding expenses in the development of a bituminous sands deposit or an oil shale deposit. See subparagraph (a)(ii) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.

Part 1 – Investments, expenditures, and percentages

Investments	Specified percentage
Qualified property acquired primarily for use in Atlantic Canada	10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired:	
– after March 28, 2012, and before 2014	10 %
– after 2013 and before 2016	5 %
– after 2015*	0 %
Expenditures	
If you are a Canadian-controlled private corporation (CCPC), this percentage may apply to the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %
Note: If your current year's qualified expenditures are more than the corporation's expenditure limit (see Part 10), the excess is eligible for an ITC calculated at the 20 % rate**.	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for SR&ED in any area in Canada:	
– before 2014**	20 %
– after 2013**	15 %
If you are a taxable Canadian corporation that incurred pre-production mining expenditures before March 29, 2012	10 %
If you are a taxable Canadian corporation that incurred pre-production mining exploration expenditures***:	
– after March 28, 2012, and before 2013	10 %
– in 2013	5 %
– after 2013****	0 %
If you are a taxable Canadian corporation that incurred pre-production mining development expenditures****:	
– after March 28, 2012, and before 2014****	10 %
– in 2014	7 %
– in 2015	4 %
– after 2015****	0 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticeship contract for employment	10 %
If you incurred eligible expenditures after March 18, 2007, for the creation of licensed child care spaces for the children of your employees and, potentially, for other children	25 %

* A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a **phase** of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of **specified percentage** in subsection 127(9) for more information.

** The reduction of the rate from 20% to 15% applies to 2014 and later tax years, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013.

*** Pre-production mining exploration expenditures are described in subparagraph (a)(i) of the definition of **pre-production mining expenditure** in subsection 127(9).

**** A transitional relief rate of 10% may apply to expenditures incurred after 2013 and before 2016, if the expenditure is incurred under a written agreement entered into before March 29, 2012, or the expenditure is incurred as part of the development of a new mine where the construction or the engineering and design work for the construction of the new mine started before March 29, 2012. See subparagraph (k)(ii) of the definition of **specified percentage** in subsection 127(9) for more information. Pre-production mining development expenditures are described in subparagraph (a)(ii) of the definition of **pre-production mining expenditure** in subsection 127(9).

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year-end Year Month Day 2015-12-31
--------------------------------------------	--------------------------------------	----------------------------------------------

Part 2 – Determination of a qualifying corporation

Is the corporation a qualifying corporation? **101** 1 Yes 2 No

For the purpose of a refundable ITC, a **qualifying corporation** is defined under subsection 127.1(2). The corporation has to be a CCPC and its taxable income (before any loss carrybacks) for its previous tax year cannot be more than its **qualifying income limit** for the particular tax year. If the corporation is associated with any other corporations during the tax year, the total of the taxable incomes of the corporation and the associated corporations (before any loss carrybacks), for their last tax year ending in the previous calendar year, cannot be more than their qualifying income limit for the particular tax year.

Note: A CCPC calculating a refundable ITC is considered to be associated with another corporation if it meets any of the conditions in subsection 256(1), except where:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of both corporations; and
- one of the corporations has at least one shareholder who is not common to both corporations.

If you are a **qualifying** corporation, you will earn a **100%** refund on your share of any ITCs earned at the 35% rate on qualified **current** expenditures for SR&ED, up to the allocated expenditure limit. The 100% refund does not apply to qualified **capital** expenditures eligible for the 35% credit rate. They are only eligible for the **40%** refund*.

Some CCPCs that are **not qualifying** corporations may also earn a **100%** refund on their share of any ITCs earned at the 35% rate on qualified **current** expenditures for SR&ED, up to the allocated expenditure limit. The expenditure limit can be determined in Part 10. The 100% refund does not apply to qualified **capital** expenditures eligible for the 35% credit rate. They are only eligible for the **40%** refund*.

The 100% refund will not be available to a corporation that is an **excluded corporation** as defined under subsection 127.1(2). A corporation is an excluded corporation if, at any time during the year, it is a corporation that is either controlled by (directly or indirectly, in any manner whatever) or is related to:

- one or more persons exempt from Part I tax under section 149;
- Her Majesty in right of a province, a Canadian municipality, or any other public authority; or
- any combination of persons referred to in a) or b) above.

* Capital expenditures incurred after December 31, 2013, including lease payments for property that would have been a capital expenditure if purchased directly, are **not** qualified SR&ED expenditures and are **not** eligible for an ITC on SR&ED expenditures.

Part 3 – Corporations in the farming industry

Complete this area if the corporation is making SR&ED contributions.

Is the corporation claiming a contribution in the current year to an agricultural organization whose goal is to finance SR&ED work (for example, check-off dues)? **102** 1 Yes 2 No

Contributions to agricultural organizations for SR&ED* **103** _____

If **yes**, complete Schedule 125, *Income Statement Information*, to identify the type of farming industry the corporation is involved in. For more information on Schedule 125, see Guide RC4088, *General Index of Financial Information (GIFI)*. Enter contributions on line 350 of Part 8.

* Enter only contributions not already included on Form T661. Include all of the contributions made before 2013 and 80% of the contributions made after 2012.

Qualified Property and Qualified Resource Property

Part 4 – Eligible investments for qualified property and qualified resource property from the current tax year

CCA* class number 105	Description of investment 110	Date available for use 115	Location used (province or territory) 120	Amount of investment 125

Total of investments for qualified property and qualified resource property _____ A

* CCA: capital cost allowance

Part 5 – Current-year credit and account balances – ITC from investments in qualified property and qualified resource property

ITC at the end of the previous tax year B

Deduct:

Credit deemed as a remittance of co-op corporations **210**

Credit expired **215**

Subtotal (line 210 plus line 215) **220** C

ITC at the beginning of the tax year (amount B minus amount C) **220**

Add:

Credit transferred on amalgamation or wind-up of subsidiary **230**

ITC from repayment of assistance **235**

Qualified property; and qualified resource property acquired after March 28, 2012, and before January 1, 2014* (applicable part of amount A from Part 4) x 10 % = **240**

Qualified resource property acquired after December 31, 2013, and before January 1, 2016 (applicable part of amount A from Part 4) x 5 % = **242**

Credit allocated from a partnership **250**

Subtotal (total of lines 230 to 250) D

Total credit available (line 220 plus amount D) E

Deduct:

Credit deducted from Part I tax (enter at amount D in Part 30) **260**

Credit carried back to the previous year(s) (amount H from Part 6) a

Credit transferred to offset Part VII tax liability **280**

Subtotal (total of line 260, amount a, and line 280) F

Credit balance before refund (amount E minus amount F) G

Deduct:

Refund of credit claimed on investments from qualified property and qualified resource property (from Part 7) **310**

ITC closing balance of investments from qualified property and qualified resource property (amount G minus line 310) **320**

* Include investments acquired after 2013 and before 2017 that are eligible for transitional relief.

Part 6 – Request for carryback of credit from investments in qualified property and qualified resource property

	Year	Month	Day		
1st previous tax year				..... Credit to be applied	901
2nd previous tax year				..... Credit to be applied	902
3rd previous tax year				..... Credit to be applied	903
Total (enter at amount a in Part 5)					H

Part 7 – Refund of ITC for qualifying corporations on investments from qualified property and qualified resource property

Current-year ITCs (total of lines 240, 242, and 250 from Part 5) I

Credit balance before refund (amount G from Part 5) J

Refund (40 % of amount I or J, whichever is less) K

Enter amount K or a lesser amount on line 310 in Part 5 (also enter it on line 780 of the T2 return if the corporation does not claim an SR&ED ITC refund).

SR&ED

Part 8 – Qualified SR&ED expenditures

Current expenditures

Current expenditures (from line 557 on Form T661) _____

Contributions to agricultural organizations for SR&ED _____

Deduct:

Government assistance, non-government assistance, or contract payment _____

Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)* **+** _____

Current expenditures (line 557 on Form T661 **plus** line 103 from Part 3)* **350** _____

Capital expenditures incurred **before** 2014 (from line 558 on Form T661)** **360** _____

Repayments made in the year (from line 560 on Form T661) **370** _____

Qualified SR&ED expenditures (total of lines 350 to 370) **380** _____

* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.

** Capital expenditures incurred after December 31, 2013, are not qualified SR&ED expenditures.

Part 9 – Components of the SR&ED expenditure limit calculation

Part 9 only applies if the corporation is a CCPC.

Note: A CCPC that calculates an SR&ED expenditure limit is considered to be associated with another corporation if it meets any of the conditions in subsection 256(1), except where:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the corporation; and
- one of the corporations has at least one shareholder who is not common to both corporations.

Is the corporation associated with another CCPC for the purpose of calculating the SR&ED expenditure limit? **385** 1 Yes 2 No

Complete lines 390 and 398 if you answered **no** to the question at line 385 above or if the corporation is not associated with any other corporations (the amounts for associated corporations will be determined on Schedule 49).

Enter your taxable income for the previous tax year* (prior to any loss carry-backs applied) **390** _____

Enter your taxable capital employed in Canada for the previous tax year 44,092,266
minus \$10 million. If this amount is nil or negative, enter "0".
If this amount is over \$40 million, enter \$40 million **398** 34,092,266

* If either of the tax years referred to at line 390 is less than 51 weeks, **multiply** the taxable income by the following result: 365 **divided** by the number of days in these tax years.

Part 10 – SR&ED expenditure limit for a CCPC

For a stand-alone corporation: \$ 8,000,000

Deduct:

Taxable income for the previous tax year (line 390 from Part 9) or \$500,000, whichever is more 500,000 × 10 = 5,000,000 A

Excess (\$8,000,000 **minus** amount A; if negative, enter "0") 3,000,000 B

\$ 40,000,000 **minus** line 398 from Part 9 5,907,734 a

Amount a **divided** by \$ 40,000,000 0.14769 C

Expenditure limit for the stand-alone corporation (amount B **multiplied** by amount C) 443,070 D*

For an associated corporation:

If associated, the allocation of the SR&ED expenditure limit as provided on Schedule 49 **400** E*

Where the tax year of the corporation is less than 51 weeks, calculate the amount of the expenditure limit as follows:

Amount D or E × Number of days in the tax year 365 = F

365

Your SR&ED expenditure limit for the year (enter the amount from line D, E, or F, whichever applies) **410** 443,070

* Amount D or E cannot be more than \$3,000,000.

Part 11 – Investment tax credits on SR&ED expenditures

Current expenditures (line 350 from Part 8) or the expenditure limit (line 410 from Part 10), whichever is less*	420	x	35 % =	_____	G
Line 350 minus line 410 (if negative, enter "0")**	430	x	15 % =	_____	H
Line 410 minus line 350 (if negative, enter "0")				443,070	b
Capital expenditures (line 360 from Part 8) or amount b above, whichever is less*	440	x	35 % =	_____	I
Line 360 minus amount b above (if negative, enter "0")**	450	x	15 % =	_____	J
Repayments (amount from line 370 in Part 8)	_____				
If a corporation makes a repayment of any government or non-government assistance, or contract payments that reduced the amount of qualified expenditures for ITC purposes, the amount of the repayment is eligible for a credit at the rate that would have applied to the repaid amount. Enter the amount of the repayment on the line that corresponds to the appropriate rate.**					
	460	x	35 % =	_____	c
	480	x	15 % =	_____	d
	Subtotal (amount c plus amount d)				_____ K
Current-year SR&ED ITC (total of amounts G to K; enter on line 540 in Part 12)	_____ L				

* For corporations that are not CCPCs, enter "0" for amounts G and I.

** For tax years that end after 2013, the general SR&ED rate is reduced from 20% to 15%, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013.

Part 12 – Current-year credit and account balances – ITC from SR&ED expenditures

ITC at the end of the previous tax year	_____ M				
Deduct:					
Credit deemed as a remittance of co-op corporations	510	_____			
Credit expired	515	_____			
	Subtotal (line 510 plus line 515)				_____ N
ITC at the beginning of the tax year (amount M minus amount N)	520	_____			
Add:					
Credit transferred on amalgamation or wind-up of subsidiary	530	_____			
Total current-year credit (from amount L in Part 11)	540	_____			
Credit allocated from a partnership	550	_____			
	Subtotal (total of lines 530 to 550)				_____ O
Total credit available (line 520 plus amount O)	_____ P				
Deduct:					
Credit deducted from Part I tax (enter at amount E in Part 30)	560	_____			
Credit carried back to the previous year(s) (amount S from Part 13)		_____ e			
Credit transferred to offset Part VII tax liability	580	_____			
	Subtotal (total of line 560, amount e, and line 580)				_____ Q
Credit balance before refund (amount P minus amount Q)	_____ R				
Deduct:					
Refund of credit claimed on SR&ED expenditures (from Part 14 or 15, whichever applies)	610	_____			
ITC closing balance on SR&ED (amount R minus line 610)	620	_____			

Part 13 – Request for carryback of credit from SR&ED expenditures

	Year	Month	Day			
1st previous tax year				Credit to be applied	911 _____
2nd previous tax year				Credit to be applied	912 _____
3rd previous tax year				Credit to be applied	913 _____
Total (enter at amount e in Part 12)						_____ S

Part 14 – Refund of ITC for qualifying corporations – SR&ED

Complete this part only if you are a qualifying corporation as determined at line 101 in Part 2.

Is the corporation an excluded corporation as defined under subsection 127.1(2)? **650** 1 Yes 2 No

Current-year ITC (lines 540 plus 550 from Part 12 minus amount K from Part 11) f

Refundable credits (amount f above or amount R from Part 12, whichever is less)* T

Deduct:

Amount T or amount G from Part 11, whichever is less U

Net amount (amount T minus amount U; if negative, enter "0") V

Amount V multiplied by 40 % W

Add:

Amount U X

Refund of ITC (amount W plus amount X – enter this, or a lesser amount, on line 610 in Part 12) Y

Enter the total of lines 310 from Part 5 and 610 from Part 12 on line 780 of the T2 return.

* If you are also an excluded corporation [as defined in subsection 127.1(2)], this amount must be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC for amount Y.

Part 15 – Refund of ITC for CCPCs that are not qualifying or excluded corporations – SR&ED

Complete this box only if you are a CCPC that is not a qualifying or excluded corporation as determined at line 101 in Part 2.

Credit balance before refund (amount R from Part 12) Z

Deduct:

Amount Z or amount G from Part 11, whichever is less AA

Net amount (amount Z minus amount AA; if negative, enter "0") BB

Amount BB or amount I from Part 11, whichever is less CC

Amount CC multiplied by 40 % DD

Add :

Amount AA EE

Refund of ITC (amount DD plus amount EE) FF

Enter FF, or a lesser amount, on line 610 in Part 12 and also on line 780 of the T2 return.

Recapture – SR&ED

Part 16 – Recapture of ITC for corporations and corporate partnerships – SR&ED

You will have a recapture of ITC in a year when **all** of the following conditions are met:

- you acquired a particular property in the current year or in any of the 20 previous tax years, if the credit was earned in a tax year ending after 1997 and did not expire before 2008;
- you claimed the cost of the property as a qualified expenditure for SR&ED on Form T661;
- the cost of the property was included in calculating your ITC or was the subject of an agreement made under subsection 127(13) to transfer qualified expenditures; and
- you disposed of the property or converted it to commercial use after February 23, 1998. This condition is also met if you disposed of or converted to commercial use a property that incorporates the particular property previously referred to.

Note:
The recapture **does not apply** if you disposed of the property to a non-arm's-length purchaser who intended to use it all or substantially all for SR&ED. When the non-arm's-length purchaser later sells or converts the property to commercial use, the recapture rules will apply to the purchaser based on the historical ITC rate of the original user.

You will report a recapture on the T2 return for the year in which you disposed of the property or converted it to commercial use. In the following tax year, add the amount of the ITC recapture to the SR&ED expenditure pool.

If you have more than one disposition for calculations 1 and 2, complete the columns for each disposition for which a recapture applies, using the calculation formats below.

Calculation 1 – If you meet all of the above conditions

Amount of ITC you originally calculated for the property you acquired, or the original user's ITC where you acquired the property from a non-arm's length party, as described in the note above 700	Amount calculated using ITC rate at the date of acquisition (or the original user's date of acquisition) on either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value of the property (in any other case) 710	Amount from column 700 or 710, whichever is less
Subtotal (enter this amount at amount C in Part 17)		A

Calculation 2 – Only if you transferred all or a part of the qualified expenditure to another person under an agreement described in subsection 127(13); otherwise, enter nil in amount B in Part 16 on page 9.

A Rate that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement 720	B Proceeds of disposition of the property if you dispose of it to an arm's length person; or, in any other case, enter the fair market value of the property at conversion or disposition 730	C Amount, if any, already provided for in Calculation 1 (This allows for the situation where only part of the cost of a property is transferred under a subsection 127(13) agreement.) 740
----------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Calculation 2 (continued) – Only if you transferred all or a part of the qualified expenditure to another person under an agreement described in subsection 127(13); otherwise, enter nil in amount B below.

D Amount determined by the formula (A x B) – C	E ITC earned by the transferee for the qualified expenditures that were transferred 750	F Amount from column D or E, whichever is less
Subtotal (enter this amount at amount D in Part 17)		B

Calculation 3

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 550 in Part 12. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 760 below.

Corporate partner's share of the excess of SR&ED ITC (amount to be reported at amount E in Part 17) **760** _____

Part 17 – Total recapture of SR&ED investment tax credit

Recaptured ITC for calculation 1 from amount A in Part 16	.....	_____	C
Recaptured ITC for calculation 2 from amount B in Part 16	.....	_____	D
Recaptured ITC for calculation 3 from line 760 in Part 16	.....	_____	E
Total recapture of SR&ED investment tax credit – total of amounts C to E	.....	_____	F
Enter amount F at amount A in Part 29.			

draft

Pre-Production Mining

Part 18 – Pre-production mining expenditures

Exploration information

A mineral resource that qualifies for the credit means a mineral deposit from which the principal mineral to be extracted is diamond, a base or precious metal deposit, or a mineral deposit from which the principal mineral to be extracted is an industrial mineral that, when refined, results in a base or precious metal.

In column 800, list all minerals for which pre-production mining expenditures have taken place in the tax year.

For each of the minerals reported in column 800, identify each project (in column 805), mineral title (in column 806), and mining division (in column 807) where title is registered. If there is no mineral title, identify only the project and mining division.

List of minerals 800	Project name 805
Mineral title 806	Mining division 807

Pre-production mining expenditures*

Exploration:

Pre-production mining expenditures that the corporation incurred in the tax year for the purpose of determining the existence, location, extent, or quality of a mineral resource in Canada:

Prospecting	810
Geological, geophysical, or geochemical surveys	811
Drilling by rotary, diamond, percussion, or other methods	812
Trenching, digging test pits, and preliminary sampling	813

Development:

Pre-production mining expenditures incurred in the tax year for bringing a new mine in a mineral resource in Canada into production in reasonable commercial quantities and incurred before the new mine comes into production in such quantities:

Clearing, removing overburden, and stripping	820
Sinking a mine shaft, constructing an adit, or other underground entry	821

Other pre-production mining expenditures incurred in the tax year:

Description 825	Amount 826

Add amounts in column 826 **A**

Total pre-production mining expenditures (total of lines 810 to 821 and amount A) **830**

Deduct:

Total of all assistance (grants, subsidies, rebates, and forgivable loans) or reimbursements that the corporation has received or is entitled to receive in respect of the amounts referred to at line 830 above **832**

Excess (line 830 minus line 832) (if negative, enter "0") **B**

Add:

Repayments of government and non-government assistance **835**

Pre-production mining expenditures (amount B plus line 835) **C**

* A pre-production mining expenditure is defined under subsection 127(9).

Part 19 – Current-year credit and account balances – ITC from pre-production mining expenditures

ITC at the end of the previous tax year D

Deduct:

Credit deemed as a remittance of co-op corporations **841** _____

Credit expired **845** _____

Subtotal (line 841 plus line 845) **850** _____ E

ITC at the beginning of the tax year (amount D minus amount E) **850** _____

Add:

Credit transferred on amalgamation or wind-up of subsidiary **860** _____

Pre-production mining expenditures*
incurred before January 1, 2013
(applicable part of amount C from Part 18) . . . **870** _____ x 10 % = _____ a

Pre-production mining exploration
expenditures incurred in 2013
(applicable part of amount C from Part 18) . . . **872** _____ x 5 % = _____ b

Pre-production mining development
expenditures incurred in 2014
(applicable part of amount C from Part 18) . . . **874** _____ x 7 % = _____ c

Pre-production mining development
expenditures incurred in 2015
(applicable part of amount C from Part 18) . . . **876** _____ x 4 % = _____ d

Current year credit (total of amounts a to d) **880** **880** _____ F

Total credit available (total of lines 850, 860, and amount F) G

Deduct:

Credit deducted from Part I tax (enter at amount F in Part 30) **885** _____

Credit carried back to the previous year(s) (amount I from Part 20) e

Subtotal (line 885 plus amount e) **890** _____ H

ITC closing balance from pre-production mining expenditures (amount G minus amount H) **890** _____

* Also include pre-production mining development expenditures incurred before 2014 and pre-production mining development expenditures incurred after 2013 and before 2016 that are eligible for transitional relief.

Part 20 – Request for carryback of credit from pre-production mining expenditures

	Year	Month	Day	
1st previous tax year				..... Credit to be applied 921 _____
2nd previous tax year				..... Credit to be applied 922 _____
3rd previous tax year				..... Credit to be applied 923 _____
Total (enter at amount e in Part 19)				..... I

Apprenticeship Job Creation

Part 21 – Total current-year credit – ITC from apprenticeship job creation expenditures

If you are a related person as defined under subsection 251(2), has it been agreed in writing that you are the only employer who will be claiming the apprenticeship job creation tax credit for this tax year for each apprentice whose contract number (or social insurance number or name) appears below? (If not, you cannot claim the tax credit.)

..... **611** 1 Yes 2 No

For each apprentice in their first 24 months of the apprenticeship, enter the apprenticeship contract number registered with Canada, or a province or territory, under an apprenticeship program designed to certify or license individuals in the trade. For the province, the trade must be a Red Seal trade. If there is no contract number, enter the social insurance number (SIN) or the name of the eligible apprentice.

A Contract number (SIN or name of apprentice)	B Name of eligible trade	C Eligible salary and wages*	D Column C x 10 %	E Lesser of column D or \$ 2,000
601	602	603	604	605
1. 110955a	Powerline technician	13,169	1,317	1,317
Total current-year credit (enter at line 640 in Part 22)				1,317 A

* Net of any other government or non-government assistance received or to be received.

Part 22 – Current-year credit and account balances – ITC from apprenticeship job creation expenditures

ITC at the end of the previous tax year **B**

Deduct:

Credit deemed as a remittance of co-op corporations **612**

Credit expired after 20 tax years **615**

Subtotal (line 612 plus line 615) **C**

ITC at the beginning of the tax year (amount B minus amount C) **625**

Add:

Credit transferred on amalgamation or wind-up of subsidiary **630**

ITC from repayment of assistance **635**

Total current-year credit (amount A from Part 21) **640** 1,317

Credit allocated from a partnership **655**

Subtotal (total of lines 630 to 655) 1,317 **D**

Total credit available (line 625 plus amount D) 1,317 **E**

Deduct:

Credit deducted from Part I tax (enter at amount G in Part 30) **660**

Credit carried back to the previous year(s) (amount G from Part 23) a

Subtotal (line 660 plus amount a) **F**

ITC closing balance from apprenticeship job creation expenditures (amount E minus amount F) **690** 1,317

Part 23 – Request for carryback of credit from apprenticeship job creation expenditures

	Year	Month	Day	
1st previous tax year				..... Credit to be applied 931
2nd previous tax year				..... Credit to be applied 932
3rd previous tax year				..... Credit to be applied 933
Total (enter at amount a in Part 22)				..... G

Child Care Spaces

Part 24 – Eligible child care spaces expenditures

Enter the eligible expenditures that the corporation incurred to create licensed child care spaces for the children of the employees and, potentially, for other children. The corporation cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property); and
- the specified child care start-up expenditures;

acquired or incurred only to create new child care spaces at a licensed child care facility.

Cost of depreciable property from the current tax year

CCA* class number	Description of investment	Date available for use	Amount of investment
665	675	685	695
1.			
Total cost of depreciable property from the current tax year			715

Add:

Specified child care start-up expenditures from the current tax year 705

Total gross eligible expenditures for child care spaces (line 715 plus line 705) A

Deduct:

Total of all assistance (including grants, subsidies, rebates, and forgivable loans) or reimbursements that the corporation has received or is entitled to receive in respect of the amounts referred to at line A 725

Excess (amount A minus line 725) (if negative, enter "0") B

Add:

Repayments by the corporation of government and non-government assistance 735

Total eligible expenditures for child care spaces (amount B plus line 735) 745

* CCA: capital cost allowance

Part 25 – Current-year credit – ITC from child care spaces expenditures

The credit is equal to 25% of eligible child care spaces expenditures incurred to a maximum of \$10,000 per child care space created in a licensed child care facility.

Eligible expenditures (from line 745) x 25 % = C

Number of child care spaces 755 x \$ 10,000 = D

ITC from child care spaces expenditures (amount C or D, whichever is less) E

Part 26 – Current-year credit and account balances – ITC from child care spaces expenditures

ITC at the end of the previous tax year F

Deduct:

Credit deemed as a remittance of co-op corporations **765**

Credit expired after 20 tax years **770**

Subtotal (line 765 plus line 770) **775** G

ITC at the beginning of the tax year (amount F minus amount G) **775**

Add:

Credit transferred on amalgamation or wind-up of subsidiary **777**

Total current-year credit (amount E from Part 25) **780**

Credit allocated from a partnership **782**

Subtotal (total of lines 777 to 782) **782** H

Total credit available (line 775 plus amount H) I

Deduct:

Credit deducted from Part I tax (enter at amount H in Part 30) **785**

Credit carried back to the previous year(s) (amount K from Part 27) a

Subtotal (line 785 plus amount a) **785** J

ITC closing balance from child care spaces expenditures (amount I minus amount J) **790**

Part 27 – Request for carryback of credit from child care space expenditures

	Year	Month	Day		
1st previous tax year	2014	12	31	..... Credit to be applied	941
2nd previous tax year	2013	12	31	..... Credit to be applied	942
3rd previous tax year	2012	12	31	..... Credit to be applied	943
Total (enter at amount a in Part 26)					943 K

Recapture – Child Care Spaces

Part 28 – Recapture of ITC for corporations and corporate partnerships – Child care spaces

The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property:

- the new child care space is no longer available; or
- property that was an eligible expenditure for the child care space is:
 - disposed of or leased to a lessee; or
 - converted to another use.

If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a)) **792** _____

In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:

The amount that can reasonably be considered to have been included in the original ITC **795** _____

25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property **797** _____

Amount from line 795 or line 797, whichever is less **A**

Corporate partnerships

As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 26. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 799 below.

Corporate partner's share of the excess of ITC **799** _____

Total recapture of child care spaces investment tax credit (total of line 792, amount A, and line 799) **B**

Enter amount B at amount B in Part 29.

Summary of Investment Tax Credits

Part 29 – Total recapture of investment tax credit

Recaptured SR&ED ITC (from amount F in Part 17) **A**

Recaptured child care spaces ITC (from amount B in Part 28) **B**

Total recapture of investment tax credit (amount A plus amount B) **C**

Enter amount C on line 602 of the T2 return.

Part 30 – Total ITC deducted from Part I tax

ITC from investments in qualified property deducted from Part I tax (from line 260 in Part 5) **D**

ITC from SR&ED expenditures deducted from Part I tax (from line 560 in Part 12) **E**

ITC from pre-production mining expenditures deducted from Part I tax (from line 885 in Part 19) **F**

ITC from apprenticeship job creation expenditures deducted from Part I tax (from line 660 in Part 22) **G**

ITC from child care space expenditures deducted from Part I tax (from line 785 in Part 26) **H**

Total ITC deducted from Part I tax (total of amounts D to H) **I**

Enter amount I at line 652 of the T2 return.

Privacy Act, Personal Information Bank number CRA PPU 047

Attached Schedule with Total

C – Eligible salary and wages

Title C – Eligible salary and wages

Explanatory note

Total wages paid = \$49,698 - can claim from 2013-04-08 to 2015-04-07, therefore claim \$49,698 * (97/365)

Description	Amount
<u>per formula - wages up to April 7, 2015</u>	<u>13,169 00</u>
Total	13,169 00

draft

Taxable Capital Employed in Canada – Large Corporations

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year-end Year Month Day 2015-12-31
---------------------------------------------------	---------------------------------------------	-----------------------------------------------------

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

Reserves that have not been deducted in calculating income for the year under Part I	101		
Capital stock (or members' contributions if incorporated without share capital)	103	22,437,505	
Retained earnings	104	18,639,595	
Contributed surplus	105		
Any other surpluses	106		
Deferred unrealized foreign exchange gains	107		
All loans and advances to the corporation	108	43,726,567	
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109		
Any dividends declared but not paid by the corporation before the end of the year	110		
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111		
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112		
Subtotal (add lines 101 to 112)		84,803,667	84,803,667 A

Note:

Line 112 is determined by the formula $(A - B) \times C/D$ (as per paragraph 181.2(3)(g)) where:

- A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
 - a) those lines applied to partnerships in the same manner that they apply to corporations, and
 - b) those amounts were computed without reference to amounts owing by the partnership
 - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
 - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.
- B is the partnership's deferred unrealized foreign exchange losses at the end of the period,
- C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and
- D is the partnership's income or loss for the period.

Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Description	Amount
Long Term Debt	40,919,717 00
Current portion LTD	1,141,430 00
Current customer deposits due to affiliate	1,606,069 00
	59,351 00
Total	43,726,567 00

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Attached Schedule with Total

Part 1 – Reserves that have not been deducted in calculating income for the year under Part I

Title Part 1 – Reserves that have not been deducted in computing income for th

Description	Amount
Sch. 13	
Total	

draft

Attached Schedule with Total

Part 1 – Deferred tax debit balance at the end of the year

Title Part 1 – Deferred tax debit balance at the end of the year

Description	Amount
ST FTA	
LT FTA	
Total	

draft

Attached Schedule with Total

Part 2 – A loan or advance to another corporation (other than a financial institution)

Title Part 2 – A loan or advance to another corporation (other than a financial ir

Description	Amount
Prepays per b/s	331,631 00
Total	331,631 00

draft

SHAREHOLDER INFORMATION

Name of corporation Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year end Year Month Day 2015-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

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
1 BRANTFORD ENERGY CORPORATION	87504 1329 RC0001			100.000	
2					
3					
4					
5					
6					
7					
8					
9					
10					

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Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year-end Year Month Day 2015-12-31
--------------------------------------------	--------------------------------------	----------------------------------------------

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, *General Rate Income Pool (GRIP) Calculation*, or Schedule 54, *Low Rate Income Pool (LRIP) Calculation*, whichever is applicable.
- File the completed schedules with your *T2 Corporation Income Tax Return* no later than six months from the end of the tax year.
- All legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool (GRIP), and low rate income pool (LRIP).
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

Taxable dividends paid in the tax year not included in Schedule 3	_____	
Taxable dividends paid in the tax year included in Schedule 3	1,000,000	
Total taxable dividends paid in the tax year	100 1,000,000	
Total eligible dividends paid in the tax year	150 _____	A
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")	160 _____	B
Excessive eligible dividend designation (line 150 minus line 160)	_____	C
Deduct:		
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	180 _____	D
Subtotal (amount C minus amount D)	_____	E
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount E multiplied by 20 %)	190 _____	F

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

Taxable dividends paid in the tax year not included in Schedule 3	_____	
Taxable dividends paid in the tax year included in Schedule 3	_____	
Total taxable dividends paid in the tax year	200 _____	
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)	_____	G
Deduct:		
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	280 _____	H
Subtotal (amount G minus amount H)	_____	I
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount I multiplied by 20 %)	290 _____	J

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to www.cra.gc.ca/eligibledividends.

Ontario Apprenticeship Training Tax Credit

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year-end Year Month Day 2015-12-31
------------------------------------------------	------------------------------------------	----------------------------------------------

- Use this schedule to claim an Ontario apprenticeship training tax credit (ATTC) under section 89 of the *Taxation Act, 2007* (Ontario).
- The ATTC is a refundable tax credit that is equal to a specified percentage (25% to 45%) of the eligible expenditures incurred by a corporation for a qualifying apprenticeship. For eligible expenditures incurred after March 26, 2009 for an apprenticeship program that began before April 24, 2015, the maximum credit for each qualifying apprenticeship is \$10,000 per year to a maximum credit of \$40,000 over the first 48-month period of the qualifying apprenticeship. For an apprenticeship program that began after April 23, 2015, the maximum credit for each qualifying apprenticeship is \$5,000 per year to a maximum credit of \$15,000 over the first 36-month period of the qualifying apprenticeship.
- Eligible expenditures are salaries and wages (including taxable benefits) paid to an apprentice in a qualifying apprenticeship or fees paid to an employment agency for the provision of services performed by the apprentice in a qualifying apprenticeship. These expenditures must be:
 - paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario;
 - for services provided by the apprentice during the first 48 months of the apprenticeship program, if an apprenticeship program began before April 24, 2015; and
 - for services provided by the apprentice during the first 36 months of the apprenticeship program, if an apprenticeship program began after April 23, 2015.
- An expenditure is not eligible for an ATTC if:
 - the same expenditure was used, or will be used, to claim a co-operative education tax credit; or
 - it is more than an amount that would be paid to an arm's length apprentice.
- An apprenticeship must meet the following conditions to be a qualifying apprenticeship:
 - the apprenticeship is in a qualifying skilled trade approved by the Ministry of Training, Colleges and Universities (Ontario) or a person designated by him or her; and
 - the corporation and the apprentice must be participating in an apprenticeship program in which the training agreement has been registered under the *Ontario College of Trades and Apprenticeship Act, 2009*, or the *Apprenticeship and Certification Act, 1998*, or in which the contract of apprenticeship has been registered under the *Trades Qualification and Apprenticeship Act*.
- Do not submit the training agreement or contract of apprenticeship with your *T2 Corporation Income Tax Return*. Keep a copy of the training agreement or contract of apprenticeship to support your claim.
- File this schedule with your *T2 Corporation Income Tax Return*.

Part 1 – Corporate information

110 Name of person to contact for more information BRIAN D'AMBOISE	120 Telephone number (519) 751-3522
Is the claim filed for an ATTC earned through a partnership? *	150 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>
If you answered yes to the question at line 150, what is the name of the partnership?	160 _____
Enter the percentage of the partnership's ATTC allocated to the corporation	170 _____ %

* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 552 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 552 to claim the partner's share of the partnership's ATTC. The total of the partners' allocated amounts can never exceed the amount of the partnership's ATTC.

Part 2 – Eligibility

1. Did the corporation have a permanent establishment in Ontario in the tax year?	200 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/>
2. Was the corporation exempt from tax under Part III of the <i>Taxation Act, 2007</i> (Ontario)?	210 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>

If you answered **no** to question 1 or **yes** to question 2, then you are **not eligible** for the ATTC.

Part 3 – Specified percentage

Corporation's salaries and wages paid in the previous tax year * **300** 600,001

For eligible expenditures incurred before March 27, 2009:

- If line 300 is \$400,000 or less, enter 30% on line 310.
- If line 300 is \$600,000 or more, enter 25% on line 310.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 310 using the following formula:

$$\text{Specified percentage} = 30\% - \left[5\% \times \left(\frac{\text{amount on line 300} - 400,000}{200,000} \right) \right]$$

Specified percentage **310** 25.000 %

For eligible expenditures incurred after March 26, 2009 for an apprenticeship program that began before April 24, 2015:

- If line 300 is \$400,000 or less, enter 45% on line 312.
- If line 300 is \$600,000 or more, enter 35% on line 312.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 312 using the following formula:

$$\text{Specified percentage} = 35\% + \left[10\% \times \left[1 - \left(\frac{\text{amount on line 300} - 400,000}{200,000} \right) \right] \right]$$

Specified percentage **312** 35.000 %

For eligible expenditures incurred for an apprenticeship program that began after April 23, 2015:

- If line 300 is \$400,000 or less, enter 30% on line 314.
- If line 300 is \$600,000 or more, enter 25% on line 314.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 314 using the following formula:

$$\text{Specified percentage} = 25\% + \left[5\% \times \left[1 - \left(\frac{\text{amount on line 300} - 400,000}{200,000} \right) \right] \right]$$

Specified percentage **314** 25.000 %

* If this is the first tax year of an amalgamated corporation and subsection 89(6) of the *Taxation Act, 2007* (Ontario) applies, enter salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Ontario apprenticeship training tax credit

Complete a **separate entry** for each apprentice for each qualifying apprenticeship with the corporation. When claiming an ATTC for repayment of government assistance, complete a **separate entry** for each repayment, and complete columns A to G and M and N with the details for the employment period in the previous tax year in which the government assistance was received.

A Trade code	B Apprenticeship program/trade name	C Name of apprentice	D Original contract or training agreement number	E Original registration date of apprenticeship contract or training agreement (year month day) (see note 1)	F Start date of employment as an apprentice in the tax year (year month day) (see note 2)	G End date of employment as an apprentice in the tax year (year month day) (see note 3)
400	405	410	420	425	430	435
1. 434a	Powerline Technician	Mark Allen Gehue	110955a	2013-04-08	2015-01-01	2015-12-31
2. 434a	Powerline Technician	Shaun Reid	PF412	2012-09-04	2015-01-01	2015-12-31
3.						

<p style="text-align: center;">D</p> <p style="text-align: center;">Original contract or training agreement number</p> <p style="text-align: center;">420</p>	<p style="text-align: center;">E</p> <p style="text-align: center;">Original registration date of apprenticeship contract or training agreement (year month day) (see note 1)</p> <p style="text-align: center;">425</p>	<p style="text-align: center;">F</p> <p style="text-align: center;">Start date of employment as an apprentice in the tax year (year month day) (see note 2)</p> <p style="text-align: center;">430</p>	<p style="text-align: center;">G</p> <p style="text-align: center;">End date of employment as an apprentice in the tax year (year month day) (see note 3)</p> <p style="text-align: center;">435</p>
<p>3.</p>			
<p>Note 1: Enter the original registration date of the apprenticeship contract or training agreement in all cases, even when multiple employers employed the apprentice.</p> <p>Note 2: When there are multiple employment periods as an apprentice in the tax year with the corporation, enter the date that is the first day of employment as an apprentice in the tax year with the corporation. When claiming an ATTC for repayment of government assistance, enter the start date of employment as an apprentice for the tax year in which the government assistance was received.</p> <p>Note 3: When there are multiple employment periods as an apprentice in the tax year with the corporation, enter the date that is the last day of employment as an apprentice in the tax year with the corporation. When claiming an ATTC for repayment of government assistance, enter the end date of employment as an apprentice for the tax year in which the government assistance was received.</p>			

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Part 4 – Ontario apprenticeship training tax credit (continued)

	H1 Number of days employed as an apprentice in the tax year before March 27, 2009 441	H2 Number of days employed as an apprentice in the tax year after March 26, 2009 (see note 1) 442	4H Number of days in the tax year employed as an apprentice in a qualifying apprenticeship program that began after April 23, 2015 (see note 1)	H3 Number of days employed as an apprentice in the tax year (column H1 plus column H2) 440	I Maximum credit amount for the tax year (see note 2) 445
1.		365		365	10,000
2.		365		365	10,000
3.					

Note 1: When there are multiple employment periods as an apprentice in the tax year with the corporation, do not include days in which the individual was not employed as an apprentice.

For H2: The days employed as an apprentice must be within 48 months of the registration date provided in column E on page 2.

For 4H: The days employed as an apprentice must be within 36 months of the registration date provided in column E on page 2.

Note 2: Maximum credit = (\$10,000 × H2/365*) or (\$5,000 × 4H/365*), whichever applies.

* 366 days, if the tax year includes February 29

	J1 Eligible expenditures before March 27, 2009 451	J2 Eligible expenditures incurred after March 26, 2009 (see note 3) 452	4J Eligible expenditures incurred for a qualifying apprenticeship program that began after April 23, 2015 (see note 3)	J3 Eligible expenditures for the tax year (column J1 plus column J2) 450	K Eligible expenditures multiplied by specified percentage (see note 4) 460
1.		49,698		49,698	17,394
2.		48,498		48,498	16,974
3.					

Note 3: Reduce eligible expenditures by all government assistance, as defined under subsection 89(19) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, in respect of the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

For J2: Eligible expenditures must be for services provided by the apprentice to the taxpayer during the first 48 months of the apprenticeship program, and not relating to services performed before the apprenticeship program began or after it ended.

For 4J: Eligible expenditures must be for services provided by the apprentice to the taxpayer during the first 36 months of the apprenticeship program, and not relating to services performed before the apprenticeship began or after it ended.

Note 4: Calculate the amount in column K as follows:

Column K = (J2 × line 312) or (4J × line 314), whichever applies.

	L ATTC on eligible expenditures (lesser of columns I and K) 470	M ATTC on repayment of government assistance (see note 5) 480	N ATTC for each apprentice (column L or M, whichever applies) 490
1.	10,000		10,000
2.	10,000		10,000
3.			

Ontario apprenticeship training tax credit (total of amounts in column N)

500

20,000 **O**

Or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount O:

Amount O _____ × percentage on line 170 in Part 1 _____ % = _____ **P**

Enter amount O or P, whichever applies, on line 454 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 552, **add** the amounts from line O or P, whichever applies, on all the schedules, and enter the total amount on line 454 of Schedule 5.

Note 5: Include the amount of government assistance repaid in the tax year multiplied by the specified percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the ATTC in that tax year. Complete a **separate entry** for each repayment of government assistance.

See the privacy notice on your return.

Corporate Taxpayer Summary

Corporate information

Corporation's name Brantford Power Inc.
 Taxation Year 2015-01-01 to 2015-12-31
 Jurisdiction Ontario

BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>										

Corporation is associated Y
 Corporation is related Y
 Number of associated corporations 4
 Type of corporation Canadian-Controlled Private Corporation
 Total amount due (refund) federal and provincial* -119,504

* The amounts displayed on lines "Total amount due (refund) federal and provincial" are all listed in the help. Press F1 to consult the context-sensitive help.

Summary of federal information

Net income	3,027,691
Taxable income	
Donations	
Calculation of income from an active business carried on in Canada	3,027,691
Dividends paid	1,000,000
Dividends paid – Regular	1,000,000
Dividends paid – Eligible	
Balance of the low rate income pool at the end of the previous year	
Balance of the low rate income pool at the end of the year	
Balance of the general rate income pool at the end of the previous year	-4,094
Balance of the general rate income pool at the end of the year	-4,094
Part I tax (base amount)	
Credits against part I tax	
Small business deduction	
M&P deduction	
Foreign tax credit	
Investment tax credits	
Abatement/Other*	
Summary of tax	
Part I	
Part IV	
Part III.1	
Other*	
Provincial or territorial tax	
Refunds/credits	
ITC refund	
Dividends refund	
Instalments	99,504
Surtax credit	
Other*	20,000
Balance due/refund (-)	-119,504

* The amounts displayed on lines "Other" are all listed in the Help. Press F1 to consult the context-sensitive help.

Summary of federal carryforward/carryback information

Carryforward balances	
Investment tax credits	1,317
Non-capital losses that can be carried forward over 20 years	405,692
Cumulative eligible capital	806,800
Financial statement reserve	3,703,110
Other reserves	1,606,069

Summary of provincial information – provincial income tax payable

	Ontario	Québec (CO-17)	Alberta (AT1)
Net income	3,027,691		
Taxable income			
% Allocation	100.00		
Attributed taxable income			
Tax payable before deduction*			
Deductions and credits			
Net tax payable			
Attributed taxable capital	N/A		N/A
Capital tax payable**	N/A		N/A
Total tax payable***			
Instalments and refundable credits	20,000		
Balance due/Refund (-)	-20,000		
Logging tax payable (COZ-1179)			
Tax payable	N/A		N/A

* For Québec, this includes special taxes.
 ** For Québec, this includes compensation tax and registration fee.
 *** For Ontario, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations. The Balance due/Refund is included in the federal Balance due/refund.

Summary of provincial carryforward amounts

Other carryforward amounts	
Ontario	
Corporate minimum tax credit that can be carried forward over 20 years – Schedule 510	42,763

Summary – taxable capital

Federal				
Corporate name	Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return
Brantford Power Inc.	44,092,266	44,092,266	84,472,036	84,472,036
Brantford Energy Corporation	120,001	120,001		
Brantford Generation Inc				
Brantford Hydro Inc.	4,962,102	4,962,102		
The Corporation of the City of Brantford				
Total	49,174,369	49,174,369	84,472,036	84,472,036

Québec

Corporate name	Paid-up capital used to calculate the Québec business limit reduction (CO-771 and CO-771.1.3) and to calculate the additional deduction for transportation costs of remote manufacturing SMEs (CO-156.TR)	Paid-up capital used to calculate the tax credit for investment (CO-1029.8.36.IN)	Paid-up capital used to calculate the 1 million deduction (CO-1137.A and CO-1137.E)
Total			

Ontario

Corporate name	Specified capital used to calculate the expenditure limit – Ontario innovation tax credit (Schedule 566)
Total	

Other provinces

Corporate name	Capital used to calculate the Newfoundland and Labrador capital deduction on financial institutions (Schedule 306)
Total	

Five-Year Comparative Summary

	Current year	1st prior year	2nd prior year	3rd prior year	4th prior year
Federal information (T2)					
Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
Net income	3,027,691	-3,430,783	-371,607		
Taxable income					
Active business income	3,027,691				
Dividends paid	1,000,000	750,000	750,000		
Dividends paid – Regular	1,000,000	750,000	750,000		
Dividends paid – Eligible					
LRIP – end of the previous year					
LRIP – end of the year					
GRIP – end of the previous year	-4,094	-4,094	23,656,147		
GRIP – end of the year	-4,094	-4,094	23,391,250		
Donations			2,600		
Balance due/refund (-)	-119,504	-149,251	-94,146		
Line 996 – Amended tax return	<input type="checkbox"/>				
Loss carrybacks requested in prior years to reduce taxable income					
Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
Taxable income before loss carrybacks	N/A	N/A			
Non-capital losses	N/A	N/A			
Net capital losses (50%)	N/A	N/A			
Restricted farm losses	N/A	N/A			
Farm losses	N/A	N/A			
Listed personal property losses (50%)	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted taxable income after loss carrybacks	N/A	N/A			
Losses in the current year carried back to previous years to reduce taxable income (according to Schedule 4)					
Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
Adjusted taxable income before current year loss carrybacks*	N/A				N/A
Non-capital losses	N/A				N/A
Net capital losses (50%)	N/A				N/A
Restricted farm losses	N/A				N/A
Farm losses	N/A				N/A
Listed personal property losses (50%)	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted taxable income after loss carrybacks	N/A				N/A

* The adjusted taxable income before current year loss carryback takes into account loss carrybacks that were made in prior taxation years.

T2 Corporation Income Tax Return

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* and *Income Tax Regulations*. 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** 86585 8773 RC0001

Corporation's name
002 Brantford Power Inc.

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 84 MARKET SQUARE
012 PO BOX 308
City Province, territory, or state
015 BRANTFORD **016** ON
Country (other than Canada) Postal code/Zip code
017 CA **018** N3T 5N8

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 (if different from head office address)
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 84 MARKET SQUARE
032 PO BOX 308
City Province, territory, or state
035 BRANTFORD **036** ON
Country (other than Canada) Postal code/Zip code
037 CA **038** N3T 5N8

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 2014-01-01 **061** 2014-12-31
YYYY MM DD YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the tax year start on line 060? **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 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** **098**

Attachments

Financial statement information: Use GIF1 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 who own voting shares?	<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 checked="" type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input checked="" type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter?	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership account 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 own any shares in one or more foreign affiliates in the tax 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
Did the corporation have a total amount over \$1 million of reportable transactions with non-arm's length non-residents?	<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"/>	
Does the corporation earn income from one or more Internet webpages or websites?	<input type="checkbox"/>	88
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 checked="" 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 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 (other than transitional reserves under section 34.2)?	<input checked="" 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"/>	33/34/35
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 in the tax year?	271	<input type="checkbox"/>	T1134
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 checked="" 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 <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		
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	ELECTRICITY DISTRIBUTION	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	-3,430,783	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		
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		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 3.5 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction

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

Income from active business carried on in Canada from Schedule 7	400	A
Taxable income from line 360 on page 3, minus 100/28 3.57143 of the amount on line 632* on page 7, minus 4 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 ***	138,562	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 I on page 7.

* 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.

** 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 page 3 (line 360 or amount Z, whichever applies)	.....	_____	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 (amount F 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
Subtotal (add amounts B to G)	.....	=====▶	H
Amount A minus amount H (if negative, enter "0")	.....	=====	I
General tax reduction for Canadian-controlled private corporations – Amount I multiplied by	13 %	.....	J

Enter amount J on line 638 on page 7.

* 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)	.....	_____	K
Lesser of amounts V and Y (line Z1) from Part 9 of Schedule 27	.....	_____	L
Amount QQ from Part 13 of Schedule 27	.....	_____	M
Personal service business income	.....	434	N
Amount used to calculate the credit union deduction (amount F from Schedule 17)	.....	_____	O
Subtotal (add amounts L to O)	.....	=====▶	P
Amount K minus amount P (if negative, enter "0")	.....	=====	Q
General tax reduction – Amount Q multiplied by	13 %	.....	R

Enter amount R on line 639 on page 7.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

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

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

Deduct:

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

Amount A minus amount D (if negative, enter "0") E

Taxable income from line 360 on page 3 F

Deduct:

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

Foreign non-business income tax credit from line 632 on page 7 x 100 / 35 = H

Foreign business income tax credit from line 636 on page 7 x 4 = I

Subtotal J

..... K

x 26 2 / 3 % = L

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

Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450** N

Refundable dividend tax on hand

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

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

Add the total of:

Refundable portion of Part I tax from line 450 above P

Total Part IV tax payable from Schedule 3 Q

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

Refundable dividend tax on hand at the end of the tax year – Amount O plus amount R **485**

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 3 750,000 x 1 / 3 = 250,000 S

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

Dividend refund – Amount S or T, whichever is less U

Enter amount U on line 784 on page 8.

Part I tax

Base amount 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		_____	C
Taxable income from line 360 on page 3		_____	D
Deduct:			
Amount from line 400, 405, 410, or 425 on page 4, whichever is the least		_____	E
Net amount (amount D minus amount E)		_____	F
Refundable tax on CCPC's investment income – 6 2 / 3 % of whichever is less: amount C or amount F	604	_____	G
Subtotal (add amounts A, B, and G) _____			H
Deduct:			
Small business deduction from line 430 on page 4		_____	I
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 J on page 5	638	_____	
General tax reduction from amount R on page 5	639	_____	
Federal logging tax credit from Schedule 21	640	_____	
Eligible Canadian bank deduction under section 125.21	641	_____	
Federal qualifying environmental trust tax credit	648	_____	
Investment tax credit from Schedule 31	652	_____	
Subtotal _____			J
Part I tax payable – Amount H minus amount J		_____	K
Enter amount K on line 700 on page 8.			

Summary of tax and credits

Federal tax

Part I tax payable from amount K on 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**
Total tax payable **770** _____ A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	_____
Dividend refund from amount U on 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	149,251
Total credits	890	149,251

Refund code **894** 1 Overpayment 149,251 ← Balance (amount A minus amount B) -149,251 B

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 result is positive, you have a **balance unpaid**.
If the result is negative, you have an **overpayment**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid

For information on how to make your payment, go to www.cra-arc.gc.ca/payments.

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

If this return was prepared by a tax preparer for a fee, provide their EFILE number **920** A6698

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

Certification

I, **950** D'AMBOISE **951** BRIAN **954** CFO
Last name (print) First name (print) 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 _____ **956** (519) 751-3522
Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation 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 _____ **959** _____
Name (print) Telephone number

Language of correspondence – Langue de correspondance

Indicate your language of correspondence by entering 1 for English or 2 for French. **990** 1
Indiquez votre langue de correspondance en inscrivant 1 pour anglais ou 2 pour français.

Net Income (Loss) for Income Tax Purposes

SCHEDULE 1

Corporation's name Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year end Year Month Day 2014-12-31
--------------------------------------------	--------------------------------------	----------------------------------------------

- 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*.
- All legislative references are to the *Income Tax Act*.

Amount calculated on line 9999 from Schedule 125			2,615,977	A
Add:				
Provision for income taxes – deferred	102	23,920		
Amortization of tangible assets	104	3,150,377		
Non-deductible meals and entertainment expenses	121	10,435		
Other reserves on lines 270 and 275 from Schedule 13	125	1,470,152		
Reserves from financial statements – balance at the end of the year	126	4,544,466		
		Subtotal of additions	9,199,350	▶
			9,199,350	
Other additions:				
Miscellaneous other additions:				
600 CY cumulative adjusted regulatory asset	290	1,080,944		
604				
		Total	294	
		Subtotal of other additions	199	▶
			1,080,944	▶
		Total additions	500	▶
			10,280,294	▶
			10,280,294	B
Amount A plus amount B			12,896,271	
Deduct:				
Gain on disposal of assets per financial statements	401	17,252		
Capital cost allowance from Schedule 8	403	4,034,248		
Cumulative eligible capital deduction from Schedule 10	405	50,946		
Other reserves on line 280 from Schedule 13	413	1,455,091		
Reserves from financial statements – balance at the beginning of the year	414	4,781,385		
		Subtotal of deductions	10,338,922	▶
			10,338,922	
Other deductions:				
Non-taxable/deductible other comprehensive income items	347	26,347		
Miscellaneous other deductions:				
701 PY cumulative adjusted regulatory assets	391	5,961,785		
704				
		Total	394	
		Subtotal of other deductions	499	▶
			5,988,132	▶
		Total deductions	510	▶
			16,327,054	▶
			16,327,054	
Net income (loss) for income tax purposes – enter on line 300 of the T2 return			-3,430,783	

DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND PART IV TAX CALCULATION

SCHEDULE 3

Name of corporation Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year-end Year Month Day 2014-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

- This schedule is for the use of any corporation to report:
 - non-taxable dividends under section 83;
 - deductible dividends under subsection 138(6);
 - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (b) or (d); or
 - taxable dividends paid in the tax year that qualify for a dividend refund.
- The calculations in this schedule apply only to private or subject corporations.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- A recipient corporation is connected with a payer corporation at any time in a tax year, if at that time the recipient corporation:
 - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
 - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- Column A – Enter "X" if dividends received from a foreign source (connected corporation only).
- Column F1 – Enter the amount of dividends received reported in column 240 that are eligible.
- Column F2 – Enter the code that applies to the deductible taxable dividend.
- Column F3 – Enter if dividends have been received or not after December 20, 2012. This information is required for corporations that must complete Schedules 71 and 72. For more details with regards to this column, consult the Help.

Part 1 – Dividends received in the tax year

Do not include dividends received from foreign non-affiliates.

Name of payer corporation (from which the corporation received the dividend)	A	Complete if payer corporation is connected			E Non-taxable dividend under section 83
		B Enter 1 if payer corporation is connected	C Business Number of connected corporation	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYY/MM/DD (See note)	
200		205	210	220	230
Total (enter on line 402 of Schedule 1)					

Note: If your corporation's tax year-end is different than that of the connected payer corporation, your corporation could have received dividends from more than one tax year of the payer corporation. If so, use a separate line to provide the information for each tax year of the payer corporation. For more details, consult the Help.

F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (b), or (d)*	F1 Eligible dividends (included in column F)	F2	F3	Complete if payer corporation is connected		I Part IV tax before deductions F x 1 / 3 ***
				G Total taxable dividends paid by connected payer corporation (for tax year in column D)	H Dividend refund of the connected payer corporation (for tax year in column D)**	
240				250	260	270
Total (enter the amount from column F on line 320 of the T2 return and amount J in Part 2)						

* If taxable dividends are received, enter the amount in column 240, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column 270. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

** If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

*** For dividends received from connected corporations: Part IV tax = $\frac{\text{Column F} \times \text{Column H}}{\text{Column G}}$

Part 2 – Calculation of Part IV tax payable

Part IV tax before deductions (amount J in Part 1)

Deduct:
 Part IV tax payable on dividends subject to Part IV tax **320**
 Subtotal

Deduct:
 Current-year non-capital loss claimed to reduce Part IV tax **330**
 Non-capital losses from previous years claimed to reduce Part IV tax **335**
 Current-year farm loss claimed to reduce Part IV tax **340**
 Farm losses from previous years claimed to reduce Part IV tax **345**
 Total losses applied against Part IV tax x 1 / 3 =

Part IV tax payable (enter amount on line 712 of the T2 return) **360**

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

A	B	C	D	D1
Name of connected recipient corporation	Business Number	Tax year end of connected recipient corporation in which the dividends in column D were received YYYY/MM/DD (See note)	Taxable dividends paid to connected corporations	Eligible dividends (included in column D)
400	410	420	430	
1 Brantford Energy Corporation	87504 1329 RC0001	2014-12-31	750,000	

Note
 If your corporation's tax year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information for each tax year of the recipient corporation. For more details, consult the Help.

Total 750,000

Total taxable dividends paid in the tax year to other than connected corporations **450**

Eligible dividends (included in line 450) 450a

Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column D above plus line 450) **460** 750,000

Part 4 – Total dividends paid in the tax year

Complete this part if the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460 above) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above) 750,000

Other dividends paid in the tax year (total of 510 to 540)

Total dividends paid in the tax year **500** 750,000

Deduct:
 Dividends paid out of capital dividend account **510**
 Capital gains dividends **520**
 Dividends paid on shares described in subsection 129(1.2) **530**
 Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year **540**
 Subtotal ▶

Total taxable dividends paid in the tax year that qualify for a dividend refund 750,000

Corporation Loss Continuity and Application

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year-end Year Month Day 2014-12-31
------------------------------------------------	------------------------------------------	----------------------------------------------

- 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 before that time is deductible in computing taxable income in a tax year ending after that time. Also, no amount of capital loss incurred in a tax year ending after that time is deductible in computing taxable income of a tax year ending 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.
- All legislative references are to the *Income Tax Act*.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		-3,430,783	A
Deduct: (increase a loss)			
Net capital losses deducted in the year (enter as a positive amount)	_____		a
Taxable dividends deductible under section 112 or subsections 113(1) or 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")		-3,430,783	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)		-3,430,783	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)	_____		F
Current-year non-capital loss (amount E plus amount F; if positive, enter "0")		-3,430,783	G

If amount G is negative, enter it on line 110 as a positive.

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of the previous tax year			e
Deduct: Non-capital loss expired*	100		f
Non-capital losses at the beginning of the tax year (amount e minus amount f)	102		H
Add:			
Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation	105		g
Current-year non-capital loss (from amount G)	110	3,430,783	h
Subtotal (amount g plus amount h)		3,430,783	I
Subtotal (amount H plus amount I)		3,430,783	J

* A non-capital loss expires as follows:

- 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 after **10** tax years if it arose in a tax year ending after March 22, 2004.

Part 1 – Non-capital losses (continued)

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	130 k
Enter amount k on line 331 of the T2 Return.	
Current and previous year non-capital losses applied against current-year taxable dividends subject to Part IV tax**	135 l
Subtotal (total of amounts i to l) K	
Non-capital losses before any request for a carryback (amount J minus amount K) L 3,430,783	
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) M	
Closing balance of non-capital losses to be carried forward to future tax years (amount L minus amount M) 180 L 3,430,783	

** Amount l is the total of lines 330 and 335 from Schedule 3, *Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation*.

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) A	
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) B	
Subtotal (amount A minus amount B) C	
Add: Current-year capital loss (from the calculation on Schedule 6, <i>Summary of Dispositions of Capital Property</i>)	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 g
ABILs expired as non-capital loss: line 215 divided by 0.500000	220 E
Subtotal (total of amounts C to E) F	

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 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 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)

Deduct: Capital losses from previous tax years applied against the current-year net capital gain*** **225** _____ G
 Capital losses before any request for a carryback (amount F **minus** amount G) _____ H

Deduct – Request to carry back capital loss to**:**

	Capital gain (100%)	Amount carried back (100%)	
First previous tax year	951	_____	h
Second previous tax year	952	_____	i
Third previous tax year	953	_____	j
	Subtotal (total of amounts h to j) _____		I
	Closing balance of capital losses to be carried forward to future tax years (amount H minus amount I) 280		J

*** 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.

**** 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 (amount F in Part 1) **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 **330** _____ g
 Enter amount g on line 334 of the T2 Return.
 Current and previous year farm losses applied against current-year taxable dividends subject to Part IV tax** **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.

** Amount h is the total of lines 340 and 345 from Schedule 3.

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 \$ 15,000 *, whichever is less	2,500	b
	2,500	c
Subtotal (amount b plus amount c)	2,500	B
Current-year restricted farm loss (amount A minus amount B)		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 (from amount C)	410	g
Enter amount g on line 233 of Schedule 1, <i>Net Income (Loss) for Income Tax Purposes</i> .		
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	430	h
Enter amount h on line 333 of the T2 return.		
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.

* For tax years that end before March 21, 2013, use \$6,250 instead of \$15,000.

** 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

Continuity of listed personal property loss and request for a carryback

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 **530** c
Enter amount c on line 655 of Schedule 6.

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 line 620)	Limited partnership losses applied in the current year (cannot be more than line 650)	Current year limited partnership losses closing balance to be carried forward to future years (column 2 plus column 3 plus column 4 minus column 5)
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 subsection 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.

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	3,430,783			N/A		3,430,783
1st preceding taxation year 2013-12-31		N/A		N/A			
2nd preceding taxation year 2012-12-31		N/A		N/A			
3rd preceding taxation year 2011-12-31		N/A		N/A			
4th preceding taxation year 2010-12-31		N/A		N/A			
5th preceding taxation year 2009-12-31		N/A		N/A			
6th preceding taxation year 2008-12-31		N/A		N/A			
7th preceding taxation year 2007-12-31		N/A		N/A			
8th preceding taxation year 2006-12-31		N/A		N/A			
9th preceding taxation year 2005-12-31		N/A		N/A			
10th preceding taxation year 2004-12-31		N/A		N/A			
11th preceding taxation year 2003-12-31		N/A		N/A			
12th preceding taxation year 2002-12-31		N/A		N/A			
13th preceding taxation year 2001-12-31		N/A		N/A			
14th preceding taxation year 2000-12-31		N/A		N/A			
15th preceding taxation year		N/A		N/A			
16th preceding taxation year		N/A		N/A			
17th preceding taxation year		N/A		N/A			
18th preceding taxation year		N/A		N/A			
19th preceding taxation year		N/A		N/A			
20th preceding taxation year		N/A		N/A			*
Total		3,430,783					3,430,783

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



Capital Cost Allowance (CCA)

Corporation's name Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year end Year Month Day 2014-12-31
--------------------------------------------	--------------------------------------	----------------------------------------------

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 (amount from column 12 of last year's schedule 8)	3 Cost of acquisitions during the year (new property must be available for use)*	4 Adjustments and transfers**	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		994,742	3,855		0	1,928	996,669	4	0	0	39,867	958,730
2. 8		364,720	209,992		0	104,996	469,716	20	0	0	93,943	480,769
3. 10		570,292	118,017		7,389	55,314	625,606	30	0	0	187,682	493,238
4. 1		28,950,870			0		28,950,870	4	0	0	1,158,035	27,792,835
5. 47		28,578,590	2,140,232		660,911	739,661	29,318,250	8	0	0	2,345,460	27,712,451
6. 50		94,486	8,704		0	4,352	98,838	55	0	0	54,361	48,829
7. 12		87,761	118,625		0	59,313	147,073	100	0	0	147,073	59,313
8. 13		23,005			0		23,005	NA	0	0	5,112	17,893
9. 13			13,573		0		13,573	NA	0	0	2,715	10,858
10. 52					0			100	0	0		
Totals		59,664,466	2,612,998		668,300	965,564	60,643,600				4,034,248	57,574,916

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).
- ** Enter in column 4, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost. Items that **increase** the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that **reduce** the undepreciated capital cost include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the *T2 Corporation Income Tax Guide* for other examples of adjustments and transfers to include in column 4.
- *** The net cost of acquisitions is the cost of acquisitions (column 3) **plus** or **minus** certain adjustments and transfers 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.
- ***** For every entry in column 9, the "Recapture of capital cost allowance" there must be a corresponding entry in column 5, "Proceeds of dispositions during the year". The recapture and terminal loss rules do not apply to passenger vehicles in Class 10.1.
- ***** 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 (14)

Canada

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year end Year Month Day 2014-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

- 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.	Brantford Energy Corporation		87504 1329 RC0001	1					
2.	Brantford Generation Inc		83941 2814 RC0001	3					
3.	Brantford Hydro Inc.		87504 1121 RC0001	3					
4.	The Corporation of the City of Brant		12268 6793 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 Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year-end Year Month Day 2014-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

- 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	597,973	A
Add: Cost of eligible capital property acquired during the taxation year	.....	222	173,106	
Other adjustments	.....	226		
Subtotal (line 222 plus line 226)	.....		173,106	
	x 3 / 4 =		129,830	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		
	x 1 / 2 =			C
amount B minus amount C (if negative, enter "0")	.....		129,830	D
Amount transferred on amalgamation or wind-up of subsidiary	.....	224		E
Subtotal (add amounts A, D, and E)	.....	230	727,803	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)	.....		
	x 3 / 4 =	248		J
Cumulative eligible capital balance (amount F minus amount J)	.....		727,803	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	.....		727,803	
less amount from line 249	.....		
Current year deduction	.....		727,803	
	x 7.00 % =	250	50,946	*
(line 249 plus line 250) (enter this amount at line 405 of Schedule 1)	.....		50,946	L
Cumulative eligible capital – Closing balance (amount K minus amount L) (if negative, enter "0")	.....	300	676,857	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")	<u> </u>	5
Total of lines 1, 2 and 5	<u> </u>	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	<u> </u>	7
Amounts at line T from Schedule 10 of previous taxation years ending after February 27, 2000	<u> </u>	8
Subtotal (line 7 plus line 8)	409	9
Line 6 minus line 9 (if negative, enter "0")	<u> </u>	O
Line N minus line O (if negative, enter "0")	<u> </u>	P
	Line 5 <u> </u> x 1 / 2 =	Q
Line P minus line Q (if negative, enter "0")	<u> </u>	R
	Amount R <u> </u> x 2 / 3 =	S
Amount N or amount O, whichever is less	<u> </u>	T
Amount to be included in income (amount S plus amount T) (enter this amount on line 108 of Schedule 1)	410	<u> </u>

CONTINUITY OF RESERVES

Name of corporation Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year end Year Month Day 2014-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

- For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.
- File one completed copy of this schedule with the corporation's *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 – Capital gains reserves

Description of property	Balance at the beginning of the year \$	Transfer on an amalgamation or the wind-up of a subsidiary \$	Add \$	Deduct \$	Balance at the end of the year \$
001	002	003			004
1					
Totals	008	009			010

The amount from line 008 plus the amount from line 009 should be entered on line 880 of Schedule 6, *Summary of Dispositions of Capital Property*. The amount from line 010 should be entered on line 885 of Schedule 6.

Part 2 – Other reserves

Description	Balance at the beginning of the year \$	Transfer on an amalgamation or the wind-up of a subsidiary \$	Add \$	Deduct \$	Balance at the end of the year \$
	110	115			120
Reserve for doubtful debts <input type="checkbox"/>					
Reserve for undelivered goods and services not rendered <input checked="" type="checkbox"/>	1,470,152		1,455,091	1,470,152	1,455,091
Reserve for prepaid rent <input type="checkbox"/>					
Reserve for refundable containers . . . <input type="checkbox"/>					
Reserve for unpaid amounts <input type="checkbox"/>					
Other tax reserves <input type="checkbox"/>					
Totals	1,470,152		1,455,091	1,470,152	1,455,091

Enter "X" in the column above if the tax reserve has also been reported on the corporation's financial statements. This allows offsetting entries on Schedule 1, resulting in a zero effect on net income for tax purposes.

The amount from line 270 plus the amount from line 275 should be entered on line 125 of Schedule 1, *Net Income (Loss) for Income Tax Purposes*, as an addition. The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.

Attached Schedule with Total

Part 2 – Other reserves – Add – Reserve for undelivered goods and services not rendered

Title Part 2 – Other reserves – Add – Reserve for undelivered goods and service

Explanatory note

See D-2 and FS

Description	Amount
Customer Deposits	818,050|00
Customer Deposits	637,041|00
Total	1,455,091|00

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)						
	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Employee Future Benefits	2,114,875		2,099,345	2,114,875	2,099,345
2	Allowance for Doubtful Account	782,000		900,000	782,000	900,000
3	Vested Sick Leave	92,262		90,030	92,262	90,030
4	Unpaid Severance	322,096			322,096	
5						
	Reserves from Part 2 of Schedule 13	1,470,152		1,455,091	1,470,152	1,455,091
	Totals	4,781,385		4,544,466	4,781,385	4,544,466

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

MISCELLANEOUS PAYMENTS TO RESIDENTS

Name of corporation Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year end Year Month Day 2014-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

- This schedule must be completed by all corporations who made the following payments to residents of Canada: royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.
- Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

	Name of recipient	Address of recipient	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
	100	200	300	400	500	600	700
1	Brantford Energy Corp	84 Market Square PO Box 308 Brantford ON CA N3T 5N8			125,308		

Deferred Income Plans

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year end Year Month Day 2014-12-31
--------------------------------------------	--------------------------------------	----------------------------------------------

- Complete the information below if the corporation deducted payments from its income made to a registered pension plan (RPP), a registered supplementary unemployment benefit plan (RSUBP), a deferred profit sharing plan (DPSP), a pooled registered pension plan (PRPP), or an employee profit sharing plan (EPSP).
- If the trust that governs an employee profit sharing plan is **not resident** in Canada, please indicate if the T4PS, *Statement of Employees Profit Sharing Plan Allocations and Payments*, Supplementary slip(s) were filed for the last calendar year, and whether they were filed by the trustee or the employer.

Type of plan (see note 1)	Amount of contribution \$ (see note 2)	Registration number (RPP, RSUBP, PRPP, and DPSP only)	Name of EPSP trust	Address of EPSP trust	T4PS slip(s) (see note 3)
100	200	300	400	500	600
1	399,742	0345983			

Note 1

Enter the applicable code number:

- 1 – RPP
- 2 – RSUBP
- 3 – DPSP
- 4 – EPSP
- 5 – PRPP

Note 2

You do not need to add to Schedule 1 any payments you made to deferred income plans. To reconcile such payments, calculate the following amount:

Total of all amounts indicated in column 200 of this schedule 399,742 A

Less:

Total of all amounts for deferred income plans deducted in your financial statements 399,742 B

Deductible amount for contributions to deferred income plans
(amount A minus amount B) (if negative, enter "0") C

Enter amount C on line 417 of Schedule 1

Note 3

T4PS slip(s) filed by: 1 – Trustee
2 – Employer
(EPSP only)

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
2014

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 Association code 300	4 Business limit for the year (before the allocation) \$	5 Percentage of the business limit %	6 Business limit allocated* \$
1	Brantford Power Inc.	86585 8773 RC0001	1	500,000		
2	Brantford Energy Corporation	87504 1329 RC0001	1	500,000		
3	Brantford Generation Inc	83941 2814 RC0001	1	500,000		
4	Brantford Hydro Inc.	87504 1121 RC0001	1	500,000	100.0000	500,000
5	The Corporation of the City of Brantford	12268 6793 RC0001	4			
	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.

Taxable Capital Employed in Canada – Large Corporations

Corporation's name Brantford Power Inc.	Business number 86585 8773 RC0001	Tax year-end Year Month Day 2014-12-31
--------------------------------------------	--------------------------------------	----------------------------------------------

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

Reserves that have not been deducted in computing income for the year under Part I	101	4,544,466	
Capital stock (or members' contributions if incorporated without share capital)	103	22,437,505	
Retained earnings	104	16,724,891	
Contributed surplus	105	141,319	
Any other surpluses	106		
Deferred unrealized foreign exchange gains	107		
All loans and advances to the corporation	108	2,619,007	
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109		
Any dividends declared but not paid by the corporation before the end of the year	110		
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111		
The total of all amounts, each of which is an amount under paragraph 181.2(3)(g) for a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112		
Subtotal (add lines 101 to 112)		46,467,188	46,467,188 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121	656,995	
Any deficit deducted in computing its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, as long as the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123		
Deferred unrealized foreign exchange losses at the end of the year	124		
Subtotal (add lines 121 to 124)		656,995	656,995 B

Capital for the year (amount A minus amount B) (if negative, enter "0") **190** 45,810,193

Note: Line 112 is determined as follows:

- An amount for a partnership is the proportion of the amount, if any, by which the total of those amounts—for the partnership's last fiscal period that ends at or before the tax year-end of the corporation—that would be determined for lines 101, 107, 108, 109, and 111 as if they apply to the partnership in the same way that they apply to corporations exceed the partnership's deferred unrealized foreign exchange losses at the end of the fiscal period.
- In determining an amount for a partnership, do not include amounts owing by the partnership
 - to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership.
 - to any partnership in which a corporation described above held a membership interest either directly or indirectly through another partnership.
- The proportion of an amount for a partnership is determined by the amount that the corporation's share of the partnership's income or loss for the fiscal period—to which the corporation is entitled either directly or indirectly through another partnership—is of the partnership's income or loss for the period.

Part 2 – Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	1,717,927
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1).	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	<u>1,717,927</u>

Notes:

- Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
- Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
- Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, refer to to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		45,810,193	C
Deduct: Investment allowance for the year (line 490)		<u>1,717,927</u>	D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	500	<u>44,092,266</u>	

Part 4 – Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500)	44,092,266	x	Taxable income earned in Canada	610	1,000	=	Taxable capital employed in Canada	690	<u>44,092,266</u>
			Taxable income		1,000				

- Notes:**
- Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
 - Where a corporation's taxable income for a tax year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
 - In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada	701	
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Deduct the following amounts:

Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	711	
Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada	712	
Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal or movable property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	713	
Total deductions (add lines 711, 712, and 713)		E

Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")	790	<u></u>
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Note: Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (line 690 or 790, whichever applies)	.....	_____	F
Deduct:	.....	<u>10,000,000</u>	G
	Excess (amount F minus amount G) (if negative, enter "0")	=====	H
Calculation for purposes of the small business deduction (amount H x 0.225%)	.....	=====	I

Enter this amount at line 415 of the T2 return.

Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Description	Amount	
long term customer deposits	637,041	00
Current portion LTD	1,088,567	00
Current customer deposits	818,050	00
due to affiliate	75,349	00
Total	2,619,007	00

Attached Schedule with Total

Part 1 – Reserves that have not been deducted in computing income for the year under Part I

Title Part 1 – Reserves that have not been deducted in computing income for th

Description	Amount
Sch. 13	4,544,466 00
Total	4,544,466 00

Attached Schedule with Total

Part 1 – Deferred tax debit balance at the end of the year

Title Part 1 – Deferred tax debit balance at the end of the year

Description	Amount	
ST FTA	238,500	00
LT FTA	418,495	00
Total	656,995	00

Attached Schedule with Total

Part 2 – A loan or advance to another corporation (other than a financial institution)

Title Part 2 – A loan or advance to another corporation (other than a financial ir

Description	Amount
Special deposits	818,050 00
Prepays per b/s	233,336 00
long term special deposits	637,041 00
long term prepays	29,500 00
Total	1,717,927 00

SHAREHOLDER INFORMATION

Name of corporation Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year end Year Month Day 2014-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

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	BRANTFORD ENERGY CORPORATION	87504 1329 RC0001			100.000	
2						
3						
4						
5						
6						
7						
8						
9						
10						

PART III.1 TAX ON EXCESSIVE ELIGIBLE DIVIDEND DESIGNATIONS

Name of corporation Brantford Power Inc.	Business Number 86585 8773 RC0001	Tax year-end Year Month Day 2014-12-31
---------------------------------------------	--------------------------------------	----------------------------------------------

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, *General Rate Income Pool (GRIP) Calculation*, or Schedule 54, *Low Rate Income Pool (LRIP) Calculation*, whichever is applicable.
- File the completed schedules with your *T2 Corporation Income Tax Return* no later than six months from the end of the tax year.
- All legislative references on this schedule are to the federal *Income Tax Act*.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool (GRIP), and low rate income pool (LRIP).
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

Taxable dividends paid in the tax year not included in Schedule 3	_____	
Taxable dividends paid in the tax year included in Schedule 3	750,000	
Total taxable dividends paid in the tax year	100 750,000	
Total eligible dividends paid in the tax year	150 _____	A
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")	160 _____	B
Excessive eligible dividend designation (line 150 minus line 160)	_____	C
Deduct:		
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends*	180 _____	D
Subtotal (amount C minus amount D)	_____	E
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount E multiplied by 20 %)	190 _____	F

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

Taxable dividends paid in the tax year not included in Schedule 3	_____	
Taxable dividends paid in the tax year included in Schedule 3	_____	
Total taxable dividends paid in the tax year	200 _____	
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)	_____	G
Deduct:		
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends*	280 _____	H
Subtotal (amount G minus amount H)	_____	I
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount I multiplied by 20 %)	290 _____	J

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to www.cra.gc.ca/eligibledividends.

Corporate Taxpayer Summary

Corporate information

Corporation's name	Brantford Power Inc.														
Taxation Year	2014-01-01		to	2014-12-31											
Jurisdiction	Ontario														
BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>										
Corporation is associated	Y														
Corporation is related	Y														
Number of associated corporations	4														
Type of corporation	Canadian-Controlled Private Corporation														
Total amount due (refund) federal and provincial*	-149,251														

* The amounts displayed on lines "Total amount due (refund) federal and provincial" are all listed in the help. Press F1 to consult the context-sensitive help.

Summary of federal information

Net income	-3,430,783														
Taxable income															
Donations															
Calculation of income from an active business carried on in Canada															
Dividends paid	750,000														
Dividends paid – Regular	750,000														
Dividends paid – Eligible															
Balance of the low rate income pool at the end of the previous year															
Balance of the low rate income pool at the end of the year															
Balance of the general rate income pool at the end of the previous year	-4,094														
Balance of the general rate income pool at the end of the year	-4,094														
Part I tax (base amount)															
Credits against part I tax	Summary of tax					Refunds/credits									
Small business deduction	Part I					ITC refund									
M&P deduction	Part IV					Dividends refund									
Foreign tax credit	Part III.1					Instalments					149,251				
Investment tax credits	Other*					Surtax credit									
Abatement/Other*	Provincial or territorial tax					Other*									
	Balance due/refund (-)										-149,251				

* The amounts displayed on lines "Other" are all listed in the Help. Press F1 to consult the context-sensitive help.

Summary of federal carryforward/carryback information

Carryforward balances															
Charitable donations	2,600														
Non-capital losses that can be carried forward over 20 years	3,430,783														
Cumulative eligible capital	676,857														
Financial statement reserve	4,544,466														
Other reserves	1,455,091														

Summary of provincial information – provincial income tax payable

	Ontario	Québec (CO-17)	Alberta (AT1)
Net income	-3,430,783		
Taxable income			
% Allocation	100.00		
Attributed taxable income			
Tax payable before deduction*			
Deductions and credits			
Net tax payable			
Attributed taxable capital	N/A		N/A
Capital tax payable**	N/A		N/A
Total tax payable***			
Instalments and refundable credits			
Balance due/Refund (-)			
Logging tax payable (COZ-1179)			
Tax payable	N/A		N/A

* For Québec, this includes special taxes.

** For Québec, this includes compensation tax and registration fee.

*** For Ontario, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations. The Balance due/Refund is included in the federal Balance due/refund.

Summary of provincial carryforward amounts**Other carryforward amounts****Ontario**

Corporate minimum tax credit that can be carried forward over 20 years – Schedule 510	42,763
---------------------------------------------------------------------------------------	--------

Summary – taxable capital**Federal**

Corporate name	Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return
Brantford Power Inc.	42,525,783	42,525,783	44,092,266	44,092,266
Brantford Energy Corporation	23,895,512	23,895,512	120,001	120,001
Brantford Generation Inc	360,219	360,219		
Brantford Hydro Inc.	4,801,470	4,801,470	4,962,102	4,962,102
The Corporation of the City of Brantford				
Total	71,582,984	71,582,984	49,174,369	49,174,369

Québec

Corporate name	Paid-up capital used to calculate the Québec business limit reduction (CO-771 and CO-771.1.3)	Paid-up capital used to calculate the tax credit for investment (CO-1029.8.36.IN)	Paid-up capital used to calculate the 1 million deduction (CO-1137.A and CO-1137.E)
Total			

Ontario

Corporate name	Specified capital used to calculate the expenditure limit – Ontario innovation tax credit (Schedule 566)
Total	

Other provinces

Corporate name	Capital used to calculate the Newfoundland and Labrador capital deduction on financial institutions (Schedule 306)
Total	

Five-Year Comparative Summary

	Current year	1st prior year	2nd prior year	3rd prior year	4th prior year
Federal information (T2)					
Taxation year end	2014-12-31	2013-12-31	2012-12-31	2011-12-31	2010-12-31
Net income	-3,430,783	-371,607			
Taxable income					
Active business income					
Dividends paid	750,000	750,000			
Dividends paid – Regular	750,000	750,000			
Dividends paid – Eligible					
LRIP – end of the previous year					
LRIP – end of the year					
GRIP – end of the previous year	-4,094	23,656,147			
GRIP – end of the year	-4,094	23,391,250			
Donations		2,600			
Balance due/refund (-)	-149,251	-94,146			
Line 996 – Amended tax return	<input type="checkbox"/>				
Loss carrybacks requested in prior years					
Taxation year end	2014-12-31	2013-12-31	2012-12-31	2011-12-31	2010-12-31
Taxable income before loss carrybacks	N/A	N/A			
Non-capital losses	N/A	N/A			371,607
Net capital losses (50%)	N/A	N/A			
Restricted farm losses	N/A	N/A			
Farm losses	N/A	N/A			
Listed personal property losses (50%)	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			371,607
Adjusted taxable income after loss carrybacks	N/A	N/A			
Losses in the current year carried back to previous years (according to Schedule 4)					
Taxation year end	2014-12-31	2013-12-31	2012-12-31	2011-12-31	2010-12-31
Adjusted taxable income before current year loss carrybacks*	N/A				N/A
Non-capital losses	N/A				N/A
Net capital losses (50%)	N/A				N/A
Restricted farm losses	N/A				N/A
Farm losses	N/A				N/A
Listed personal property losses (50%)	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted taxable income after loss carrybacks	N/A				N/A

* The adjusted taxable income before current year loss carryback takes into account loss carrybacks that were made in prior taxation years.

Federal taxes

Taxation year end	2014-12-31	2013-12-31	2012-12-31	2011-12-31	2010-12-31
Part I					
Part IV					
Part III.1					
Other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.

Credits against part I tax

Taxation year end	2014-12-31	2013-12-31	2012-12-31	2011-12-31	2010-12-31
Small business deduction					
M&P deduction					
Foreign tax credit					
Political contribution					
Investment tax credit					
Abatement/other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.

Refunds/credits

Taxation year end	2014-12-31	2013-12-31	2012-12-31	2011-12-31	2010-12-31
ITC refund					
Dividend refund					
Instalments	149,251	136,909			
Surtax credit					
Other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.

Ontario

Taxation year end	2014-12-31	2013-12-31	2012-12-31	2011-12-31	2010-12-31
Net income	-3,430,783	-371,607			
Taxable income					
% Allocation	100.00	100.00			
Attributed taxable income					
Surtax					
Income tax payable before deduction					
Income tax deductions /credits					
Net income tax payable					
Taxable capital					
Capital tax payable					
Total tax payable*		42,763			
Instalments and refundable credits					
Balance due/refund**		42,763			

* For taxation years ending before January 1, 2009, this includes the corporate minimum tax and the premium tax. For taxation years ending after December 31, 2008, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations.

** For taxation years ending after December 31, 2008, the Balance due/Refund is included in the federal Balance due/refund.

Brantford Power Inc.

EB-2016-0058

Exhibit 4

Attachment 4-H

Filed: May 4, 2016

Attachment 4-H

Burman Report

BRANTFORD POWER INC.

LRAMVA SUPPORT

April 21, 2016

PREPARED BY: JARRETT URECH, CET

REVIEWED BY: BART BURMAN, MBA BA.SC. P.ENG

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Executive Summary

Burman Energy Consultants group has calculated Brantford Power's LRAMVA value for the period of 2013 through 2014 to be a total of \$164,632.71 . This number was derived by calculating the total LRAM value of \$422,467.33 and subtracting the already forecasted lost revenue already collected of \$257,834.62 . Brantford Power's 2008 load forecast did not include the adjustments for LRAM (2006 - 2010) as a result Burman Energy recommends an LRAM claim of \$118,381.22 for 2013. This is consistent with Brantford Power's OEB decision EB-2011-0147 dated April 19, 2012.

Introduction

Since the completion of Third Tranche CDM programs and reporting, LDCs across Ontario have sought to recover revenues lost to successful CDM programming. The mechanism that enables this recovery is the Lost Revenue Adjustment Mechanism (LRAM).

On April 26, 2012, new Board-issued CDM Guidelines were enacted that provide updated LRAM details. For CDM programs delivered within the 2011 to 2014 term, the Board established the Lost Revenue Adjustment Variance Account (LRAMVA). This account captures the variance between the Board-approved CDM forecast and the actual CDM results.

The variance calculated from this comparison must be recorded in separate sub-accounts per the applicable customer rate classes.

LDCs must apply for the disposition of the balance in the LRAMVA as part of their cost of service (COS) applications or on an annual basis, as part of their IRM rate applications.

The LRAM mechanism determines persistent CDM impacts realized after 2010, for those distributors whose load forecast has not been updated.

Terms

Term	Description
Persistence	CDM savings during the subsequent years after the first year savings.
Extension Framework	The conservation period between 2011 and 2015
Conservation First Framework	The conservation period between 2015 and 2020.
CDM	Conservation and Demand Management
LRAM	Lost Revenue Adjustment Mechanism
LRAMVA	Lost Revenue Adjustment Mechanism Variance Account
COS	Cost of Service
IRM	Incentive Regulation Model

Scope of Work

Specifically, Burman Energy will perform the following in its work undertaking:

- 1) Collect and outline savings for the following data sets:
 - i. CDM Results for programs as applicable for the LRAMVA period.
 - ii. Forecasted savings for Conservation and Demand Management programs (Last Approved).
- 2) Collect additional data as outlined:
 - i. LDC volumetric distribution rates for LRAMVA years.
 - ii. Completed Retrofit projects for years for which retrofit savings are reported.
- 3) Calculate by initiative and year the lost revenue values.
- 4) Calculate the currently recovered lost revenue from the load forecast.
- 5) Outline the net LRAMVA values by year and overall.
- 6) Provide summary report with supporting information.

Lost Revenue Adjustment Mechanism History

From 2005 to the end of 2010, distributors delivered CDM programs either through approved distribution rate funding by way of the third installment of their incremental market adjusted revenue requirement ("MARR"), or through contracts with the IESO. Some distributors received incremental distribution rate funding separate from MARR. To promote the participation in and the delivery of CDM programs by distributors, the Board made available an LRAM regardless of whether the CDM programs were funded by the IESO or through distribution rates.

Lost Revenue Adjustment Mechanism Outline

In preparation of this document, Burman Energy performed this analysis in compliance with Guidelines for Electricity Distributor Conservation and Demand Management EB-2012-0003 with specific reference to the following:

13.6 LRAM & Shared Savings Mechanism for Pre-CDM Code Activities

The Board notes that the Filing Requirements for Transmission and Distribution Applications state the following:

Distributors intending to file an LRAM or SSM application for CDM Programs funded through distribution rates, or an LRAM application for CDM Programs funded by the IESO between 2005 and 2010, shall do so as part of their 2012 rate application filings, either cost-of-service or IRM. If a distributor does not file for the recovery of LRAM or SSM amounts in its 2012 rate application, it will forego the opportunity to recover LRAM or SSM for this legacy period of CDM activity.

The 2008 CDM Guidelines state as follows: "lost revenues are only accruable until new rates (based on a new revenue requirement and load forecast) are set by the Board, as the CDM savings would be assumed to be incorporated in the load forecast at that time". The intent of the LRAM in the 2008 CDM Guidelines was to keep electricity distributors revenue neutral for CDM activities implemented by the distributor during the years in which its rates were set using the incentive regulation mechanism, and that future LRAM claims should be unnecessary once a distributor rebases and updates its load forecast.

The Board therefore expects that LRAM for pre-2011 CDM activities should be completed with the 2012 rate applications, outside of persisting historical CDM impacts realized after 2010 for those distributors whose load forecast has not been updated as part of a cost of service application.

This summary is extracted from the "Guidelines for Electricity Distributor Conservation and Demand Management" (EB-2012-0003). This document can be found at:

http://www.ontarioenergyboard.ca/oeb/Documents/EB-2012-0003/CDM_Guidelines_Electricity_Distributor.pdf

Lost Revenue Adjustment Mechanism Variance Account Outline

With specific reference to the following:

13.2 LRAM Mechanism for 2011- 2014

The Board will adopt an approach for LRAM for the 2011-2014 CDM period that is similar to that adopted in relation to natural gas distributor DSM activities. The Board will authorize the establishment of an LRAM variance account ("LRAMVA") to capture, at the customer rate-class level, the difference between the following:

- i. The results of actual, verified impacts of authorized CDM activities undertaken by electricity distributors between 2011-2014 for both Board-Approved CDM programs and IESO-Contracted Province-Wide CDM programs in relation to activities undertaken by the distributor and/or delivered for the distributor by a third party under contract (in the distributor's franchise area); and
- ii. The level of CDM program activities included in the distributor's load forecast (i.e. the level embedded into rates).

Distributors will generally be expected to include a CDM component in their load forecast in cost of service proceedings to ensure that its customers are realizing the true effects of conservation at the earliest date possible date and to mitigate the variance between forecasted revenue losses and actual revenue losses. If the distributor has included a CDM load reduction in its distribution rates, the amount of the forecast that was adjusted for CDM at the rate class level would be compared to the actual DCM results verified by an independent third party for each year of the CDM program (i.e., 2011 to 2014) in accordance with the IESO's EM&V Protocols as set out in Section 6.1 of the CDM Code. The variance calculated from this comparison result in a credit or a debit to the ratepayers at the customer rate class level in the LRAMVA. The LRAM amount is determined by applying, by customer class, the distributor's Board-approved variable distribution charge applicable to the class to the volumetric variance (positive or negative) described in the paragraph above. The calculated lost revenues will be recorded in the LRAMVA. Distributors will be expected to report the balance in the LRAMVA as part of the reporting and record-keeping requirements on an annual basis.

This summary is extracted from the "Guidelines for Electricity Distributor Conservation and Demand Management" (EB-2012-0003). This document can be found at:

http://www.ontarioenergyboard.ca/oeb/ Documents/EB-2012-0003/CDM_Guidelines_Electricity_Distributor.pdf

Summary Of Lost Revenue Adjustments

LRAMVA Summary

Burman Energy Consultants Group Inc. (Burman Energy) has prepared the following LRAMVA tables, representing the variance amount to be recorded in the LRAM Variance Account. The amount is the calculated result of the lost revenues by customer class based on the volumetric impact of the load reductions arising from the CDM measures implemented, multiplied by Brantford Power's Board-approved variable distribution changes applicable to the customer rate class in which the volumetric variance occurred. The calculations provided by Burman Energy do not include carrying charges or adjustments based on CDM reductions as included in any CDM Load reduction forecast.

Results Year	Lost Revenue Adjustment Mechanism Year					
	2013	2014				
2014	\$ -	\$ 161,302				
2013	\$ 54,533	\$ 54,562				
2012	\$ 39,514	\$ 42,047				
2011	\$ 34,923	\$ 35,587				
Total	\$ 128,970	\$ 293,498				
Forecast	\$ 125,662	\$ 132,172				
Net	\$ 3,307	\$ 161,326				
Variance			\$ 164,633			

Results Year	Lost Revenue Adjustment Mechanism Summary By Rate Class					
	Residential	GS <= 50 kW	GS > 50 kW			Total
2014	\$ 67,587	\$ 39,829	\$ 186,082			\$ 293,498
2013	\$ 40,829	\$ 31,418	\$ 56,723			\$ 128,970
Total	\$ 108,416	\$ 71,246	\$ 242,805			\$ 422,467
Forecast	\$ 109,726	\$ 69,495	\$ 78,614			\$ 257,835
Net	\$ (1,310)	\$ 1,752	\$ 164,191			\$ 164,633

LRAM Summary

Burman Energy recommends an LRAM claim of \$118,381.22 as none of the requested LRAM has been subject to any previous approvals and were not included in Brantford Power's last load forecast. This is consistent with Brantford Power's OEB decision EB-2011-0147 dated April 19, 2012. The below table represents LRAM calculations for persistence of 2006-2010 programs for 2013 only.

Results Year	Lost Revenue Adjustment Mechanism Year					
	2013					
2010	\$ 27,783					
2009	\$ 41,897					
2008	\$ 24,647					
2007	\$ 18,208					
2006	\$ 5,845					
Total	\$ 118,381					

OEB decision EB-2011-0147 dated April 19, 2012:

The Board will approve an LRAM claim of \$515,439.19, comprised of the effect of programs launched in 2005 to 2010 and persistence thereof in 2006 to 2010. Although the CDM Guideline states that lost revenues are only accruable until new rates (based on a new revenue requirement and load forecast) are set by the Board, as the savings would be assumed to be incorporated in the load forecast at that time, the Board has acknowledged (PowerStream decision EB-2011-0005 and PUC decision EB-2011-0101) that the 2004 NAC based load forecast underpinning Brantford's cost of service rates does not include the impact of Brantford's CDM programs. The Board also notes that with the exception of 2008, Brantford was under IRM during the subject time period and did not otherwise receive compensation for lost revenues from these programs. The Board will not approve lost revenues arising from these programs in 2011, as it is premature to do so and inconsistent with the CDM Guidelines.

Reference Material

The following IESO documents were used to prepare the LRAMVA calculations:

- i. [2006-2014]_RATES_DATABASE_FROM_TARIFFS.xls
- ii. 2011-2014 Brantford Power Results with Persistence.xls
- iii. Brantford Power [2013-2014] Retrofit Project Lists
- iv. 2006-2010 Brantford Power Results with Persistence.xls

Methodology

Burman Energy would like to present a summary of the methodology used to calculate the LRAMVA figures in this report for the purposes of auditing.

Burman Energy collects the following information as the sources for the values calculated in this report:

- Rate Database documents from the Ontario Energy Board (OEB) website for all years that are being calculated.
- Final CDM results and their persistence into future years received directly from the IESO or from the Local Distributor.
- Retrofit & High Performance New Construction (HPNC) project data with kW, kWh and Rate Class information for each project.
- The forecasted CDM results from the distributors most recently approved Cost of Service application (COS).

Burman Energy takes the results of each initiative where the savings for the LRAMVA report period are not equal to zero and enters the figures into the report. The values entered into the report are organized by results year, rate class, and then initiative. The rate classes outlined here are examples and may not be actual customer classes for this local distribution company.

Results from 2014
Residential
HVAC Incentives
RESIDENTIAL TOTAL
GS Less Than 50 kW
Retrofit
GS LESS THAN 50 KW TOTAL
GS Greater Than 50 kW
Retrofit
GS GREATER THAN 50 KW TOTAL
Large Use
Retrofit
LARGE USE TOTAL
RESULTS FROM 2014 TOTAL

The results for Retrofit and HPNC items are initially collected for all rate classes then using verified project savings the result savings are divided into the appropriate rate classes.

Year	Application Type	LDC	Demand Savings	Energy Savings	Rate Class	Sector
2014	Retrofit	ntford Power	491.37	3,212,976	GS>50	Industrial
2014	Retrofit	ntford Power	98.43	713,220	GS<50	Business

kW	GS>50	83.31%	GS<50	16.69%	Large Use	0.00%
kWh		81.83%		18.17%		0.00%

Volumetric distribution rates are derived by using the rate database provided on the OEB website directly as they appear. These volumetric distribution rates are collected for each rate class for the years during the LRAMVA reporting period and one year prior are entered into the report along with their effective date. Burman Energy uses the effective date to create a weighted volumetric rate for each of the calendar years (Jan1st through Dec 31st) years in the reporting period. A summary of the calculation is presented below:

$$\text{Weighted Rate} = \left(\text{Rate}_{old} * \left(\frac{\text{Months at Old}}{12} \right) \right) + \left(\text{Rate}_{new} * \left(\frac{\text{Months at New}}{12} \right) \right)$$

The weighted volumetric rate is multiplied by the savings metric selected by rate class (the Residential and GS<50 metric is kWh and the GS>50 and Large Use metric is kW). The resulting figure is then subject to global modifiers based on initiative (eg. Demand Response 3 is taken at a factor of 0% due to the type of savings it provides).

$$\text{LRAM}(kW) = \text{Weighted Rate} * \text{Modifier}\%_{\text{If Applicable}} * ((kW_{\text{Per Month}} * \text{Months at old Rate}) + (kW_{\text{Per Month}} * \text{Months at New Rate}))$$

$$\text{LRAM}(kWh) = \text{Weighted Rate} * \text{Modifier}\%_{\text{If Applicable}} * kWh_{\text{Annual}}$$

The totals are outlined at the bottom of each section with a summary by rate class presented near the bottom of the table for comparison to the forecasted figures.

If the distributor had forecasted CDM savings Burman Energy takes the values and applies same methods outlined for the savings results to calculate the total lost revenue that has already been recovered for the reporting period.

The recovered lost revenue is subtracted from the calculated LRAM resulting in the net figures or Variance. These figures are outlined by reporting period year and as an overall.

Supporting Attachments

Brantford Power Inc. LRAMVA CALCULATIONS
OPA Conservation & Demand Management Programs
Initiative Results at End-User Level

Initiative Name	2012	2013			2014				
	Volumetric Rate	Net Summer Peak Demand Savings (kW)	Net Energy Savings (kWh)	Distribution Volumetric Rate (Effective Date: May 1)	2013 LRAMVA	Net Summer Peak Demand Savings (kW)	Net Energy Savings (kWh)	Distribution Volumetric Rate (Effective Date: Mar 1)	2014 LRAMVA
LRAM CDM Results and Persistence									
Results from 2014									
Residential									
Appliance Exchange	0.0138			0.0138		24.24	43,224.47	0.0142	\$ 610.91
Appliance Retirement	0.0138			0.0138		15.39	96,339.67	0.0142	\$ 1,361.60
Bi-Annual Retailer Event	0.0138			0.0138		58.36	891,691.62	0.0142	\$ 12,602.57
Conservation Instant Coupon Booklet	0.0138			0.0138		20.01	242,189.62	0.0142	\$ 3,422.95
Home Assistance Program	0.0138			0.0138		15.49	193,418.54	0.0142	\$ 2,733.65
HVAC Incentives	0.0138			0.0138		197.14	363,072.12	0.0142	\$ 5,131.42
Residential Demand Response	0.0138			0.0138		351.52	0.00	0.0142	\$ -
RESIDENTIAL TOTAL		0.00	0		\$ -	682.15	1,829,936		\$ 25,863.10
GS Less Than 50 kW									
Direct Install Lighting	0.0065			0.0065		117.41	431,458.36	0.0067	\$ 2,876.39
Energy Audit	0.0065			0.0065		13.37	65,273.57	0.0067	\$ 435.16
LDC Pilots	0.0065			0.0065		29.41	266,087.85	0.0067	\$ 1,773.92
LDC Program Enabled Savings	0.0065			0.0065		31.90	256,700.00	0.0067	\$ 1,711.33
Time-of-Use Savings	0.0065			0.0065		468.84	0.00	0.0067	\$ -
Demand Response 3	0.0065			0.0065		63.26	0.00	0.0067	\$ -
Commercial Demand Response	0.0065			0.0065		2.79	0.00	0.0067	\$ -
High Performance New Construction	0.0065			0.0065		1.80	16,137.95	0.0067	\$ 107.59
Retrofit	0.0065			0.0065		98.85	717,914.13	0.0067	\$ 4,786.09
GS LESS THAN 50 KW TOTAL		0.00	0		\$ -	827.61	1,753,572		\$ 11,690.48
GS Greater Than 50 kW									
Demand Response 3	2.6043			2.6043		286.22	0.00	2.9678	\$ -
PSUI	2.6043			2.6043		3,053.70	27,003,930.00	2.9678	\$ 106,533.21
Retrofit	2.6043			2.6043		493.45	3,234,122.19	2.9678	\$ 17,214.94
GS GREATER THAN 50 KW TOTAL		0.00	0		\$ -	3,833.38	30,238,052		\$ 123,748.15
RESULTS FROM 2014 TOTAL		0.00	0		\$ -	5,343.15	33,821,560		\$ 161,301.73
Results from 2013									
Residential									
Annual Coupons	0.0138	3.75	55,920.45	0.0138	\$ 771.70	3.75	55,920.45	0.0142	\$ 790.34
Appliance Exchange	0.0138	25.48	45,441.10	0.0138	\$ 627.09	25.48	45,441.10	0.0142	\$ 642.23
Appliance Retirement	0.0138	15.65	102,323.89	0.0138	\$ 1,412.07	15.65	102,323.89	0.0142	\$ 1,446.18
Bi-Annual Retailer Events	0.0138	8.59	124,644.22	0.0138	\$ 1,720.09	8.59	124,644.22	0.0142	\$ 1,761.64
Conservation Instant Coupon Booklet	0.0138	0.01	171.00	0.0138	\$ 2.36	0.01	171.00	0.0142	\$ 2.42
Home Assistance Program	0.0138	27.38	227,870.60	0.0138	\$ 3,144.61	27.38	225,921.43	0.0142	\$ 3,193.02
HVAC	0.0138	176.64	297,323.89	0.0138	\$ 4,103.07	176.64	297,323.89	0.0142	\$ 4,202.18
HVAC Incentives	0.0138	8.94	15,705.91	0.0138	\$ 216.74	8.94	15,705.91	0.0142	\$ 221.98
peaksaverPLUS	0.0138	149.67	0.00	0.0138	\$ -	0.00	0.00	0.0142	\$ -
RESIDENTIAL TOTAL		416.11	869,401		\$ 11,997.73	266.34	867,452		\$ 12,259.99
GS Less Than 50 kW									
Audit Funding	0.0065	44.09	242,414.51	0.0065	\$ 1,575.69	44.09	242,414.51	0.0067	\$ 1,616.10
DR-3	0.0065	68.66	916.83	0.0065	\$ 5.96	0.00	0.00	0.0067	\$ -
Energy Audit	0.0065	44.10	242,478.78	0.0065	\$ 1,576.11	44.10	242,478.78	0.0067	\$ 1,616.53
Energy Audit Funding	0.0065	17.63	96,901.54	0.0065	\$ 629.86	17.63	96,901.54	0.0067	\$ 646.01
New Construction	0.0065	85.94	501,667.04	0.0065	\$ 3,260.84	85.94	0.00	0.0067	\$ -
Retrofit	0.0065	69.76	393,496.54	0.0065	\$ 2,557.73	69.76	387,318.37	0.0067	\$ 2,582.12
Small Business Lighting	0.0065	72.66	236,782.49	0.0065	\$ 1,539.09	72.66	236,782.49	0.0067	\$ 1,578.55
GS LESS THAN 50 KW TOTAL		402.85	1,714,658		\$ 11,145.28	332.39	1,205,896		\$ 8,039.30
GS Greater Than 50 kW									
DR-3	2.6043	346.66	7,893.72	2.6043	\$ -	0.00	0.00	2.9678	\$ -
High Performance New Construction	2.6043	140.65	782,657.60	2.6043	\$ 4,395.61	140.65	782,657.60	2.9678	\$ 4,906.88
Retrofit	2.6043	863.76	4,376,556.57	2.6043	\$ 26,994.02	841.47	4,307,841.58	2.9678	\$ 29,356.14
GS GREATER THAN 50 KW TOTAL		1,351.08	5,167,108		\$ 31,389.63	982.13	5,090,499		\$ 34,263.02
RESULTS FROM 2013 TOTAL		2,170.05	7,751,167		\$ 54,532.64	1,580.86	7,163,847		\$ 54,562.31
Results from 2012									
Residential									
Appliance Exchange	0.0138	0.55	968.49	0.0138	\$ 13.37	0.55	968.49	0.0142	\$ 13.69
Appliance Retirement	0.0138	23.53	159,035.39	0.0138	\$ 2,194.69	23.53	159,035.39	0.0142	\$ 2,247.70
Bi-Annual Retailer Event	0.0138	10.74	194,308.03	0.0138	\$ 2,681.45	10.74	194,308.03	0.0142	\$ 2,746.22
Conservation Instant Coupon Booklet	0.0138	1.67	10,144.32	0.0138	\$ 139.99	1.67	10,144.32	0.0142	\$ 143.37
Home Assistance Program	0.0138	31.85	284,039.90	0.0138	\$ 3,919.75	31.84	283,716.50	0.0142	\$ 4,009.86
HVAC	0.0138	7.10	13,181.74	0.0138	\$ 181.91	7.10	13,181.74	0.0142	\$ 186.30
HVAC Incentives	0.0138	194.28	330,910.08	0.0138	\$ 4,566.56	194.28	330,910.08	0.0142	\$ 4,676.86
RESIDENTIAL TOTAL		269.72	992,588		\$ 13,697.71	269.71	992,265		\$ 14,024.01
GS Less Than 50 kW									
Direct Install Lighting	0.0065	68.80	269,847.78	0.0065	\$ 1,754.01	68.80	269,847.78	0.0067	\$ 1,798.99
Retrofit	0.0065	84.94	688,865.98	0.0065	\$ 4,477.63	84.12	685,521.11	0.0067	\$ 4,570.14
GS LESS THAN 50 KW TOTAL		153.74	958,714		\$ 6,231.64	152.92	955,369		\$ 6,369.13
GS Greater Than 50 kW									
Retrofit	2.6043	625.85	3,873,822.73	2.6043	\$ 19,558.96	619.86	3,855,012.97	2.9678	\$ 21,624.95
High Performance New Construction	2.6043	0.82	794.30	2.6043	\$ 25.62	0.82	794.30	2.9678	\$ 28.60
GS GREATER THAN 50 KW TOTAL		626.67	3,874,617		\$ 19,584.58	620.68	3,855,807		\$ 21,653.55
RESULTS FROM 2012 TOTAL		1,050.14	5,825,919		\$ 39,513.94	1,043.32	5,803,441		\$ 42,046.68
Results from 2011									
Residential									
Appliance Exchange	0.0138	9.14	12,869.39	0.0138	\$ 177.60	5.28	9,418.08	0.0142	\$ 133.11
Appliance Retirement	0.0138	34.52	250,242.24	0.0138	\$ 3,453.34	33.84	249,635.50	0.0142	\$ 3,528.18
Bi-Annual Retailer Event	0.0138	12.98	229,054.81	0.0138	\$ 3,160.96	12.98	229,054.81	0.0142	\$ 3,237.31
Conservation Instant Coupon Booklet	0.0138	9.53	151,983.30	0.0138	\$ 2,097.37	9.53	151,983.30	0.0142	\$ 2,148.03
HVAC	0.0138	0.37	759.53	0.0138	\$ 10.48	0.37	759.53	0.0142	\$ 10.73
HVAC Incentives	0.0138	244.29	451,579.31	0.0138	\$ 6,231.79	244.29	451,579.31	0.0142	\$ 6,382.32
peaksaverPLUS	0.0138	84.21	142.13	0.0138	\$ 1.96	0.00	0.00	0.0142	\$ -
RESIDENTIAL TOTAL		395.05	1,096,631		\$ 15,133.50	306.29	1,092,431		\$ 15,439.68
GS Less Than 50 kW									
Direct Install Lighting	0.0065	157.67	408,272.04	0.0065	\$ 2,653.77	123.18	307,652.26	0.0067	\$ 2,051.02
peaksaverPLUS	0.0065	3.20	5.10	0.0065	\$ 0.03	0.00	0.00	0.0067	\$ -
Retrofit	0.0065	273.38	1,751,821.78	0.0065	\$ 11,386.84	273.38	1,751,821.78	0.0067	\$ 11,678.81
GS LESS THAN 50 KW TOTAL		434.25	2,160,099		\$ 14,040.64	396.56	2,059,474		\$ 13,729.83
GS Greater Than 50 kW									
Retrofit	2.6043	137.45	900,193.18	2.6043	\$ 4,295.65	137.45	900,193.18	2.9678	\$ 4,795.30
High Performance New Construction	2.6043	46.50	113,316.50	2.6043	\$ 1,453.20	46.50	113,316.50	2.9678	\$ 1,622.23
GS GREATER THAN 50 KW TOTAL		183.95	1,013,510		\$ 5,748.85	183.95	1,013,510		\$ 6,417.53
RESULTS FROM 2011 TOTAL		1,013.25	4,270,239		\$ 34,923.00	886.81	4,165,414		\$ 35,587.04
Results from 2010									
Residential									
Cool Savings Rebate	0.0138	208.41	317,554.64	0.0138	\$ 4,382.25			0.0142	\$ -
Every Kilowatt Counts Power Savings Event	0.0138	11.26	115,869.09	0.0138	\$ 1,598.99			0.0142	\$ -
Great Refrigerator Roundup	0.0138	76.96	486,030.86	0.0138	\$ 6,707.23			0.0142	\$ -
Multi-Family Energy Efficiency Rebates	0.0138	15.31	180,733.39	0.0138	\$ 2,494.12			0.0142	\$ -
peaksaverPLUS	0.0138	251.48	841.09	0.0138	\$ 11.61			0.0142	\$ -
RESIDENTIAL TOTAL		563.42	1,101,029		\$ 15,194.20	0.00	0		\$ -
GS Less Than 50 kW									
peaksaverPLUS	0.0065	12.16	19.40	0.0065	\$ 0.13			0.0067	\$ -
Power Savings Blitz	0.0065	65.57	201,230.70	0.0065	\$ 1,308.00			0.0067	\$ -
GS LESS THAN 50 KW TOTAL		77.73	201,250		\$ 1,308.13	0.00	0		\$ -
GS Greater Than 50 kW									
Retrofit	2.6043	257.11	1,450,436.37	2.6043	\$ 8,034.95			2.9678	\$ -
High Performance New Construction	2.6043	103.87	236,826.47	2.6043	\$ 3,246.14			2.9678	\$ -
GS GREATER THAN 50 KW TOTAL		360.98	1,687,263		\$ 11,281.09	0.00	0		\$ -
RESULTS FROM 2010 TOTAL		1,002.13	2,989,542		\$ 27,783.42	0.00	0		\$ -
Results from 2009									
Residential									
Cool Savings Rebate	0.0138	138.02	208,879.50	0.0138	\$ 2,882.54			0.0142	\$ -

Initiative Name	2012	2013				2014			
	Volumetric Rate	Net Summer Peak Demand Savings (kW)	Net Energy Savings (kWh)	Distribution Volumetric Rate (Effective Date: May 1)	2013 LRAMVA	Net Summer Peak Demand Savings (kW)	Net Energy Savings (kWh)	Distribution Volumetric Rate (Effective Date: Mar 1)	2014 LRAMVA
GS Less Than 50 kW									
peaksaverPLUS	0.0065	4.48	7.15	0.0065	\$ 0.05			0.0067	
Power Savings Blitz	0.0065	704.42	2,748,182.91	0.0065	\$ 17,863.19			0.0067	
GS LESS THAN 50 KW TOTAL		708.90	2,748,190		\$ 17,863.24	0.00	0		\$ -
GS Greater Than 50 kW									
Retrofit	2.6043	362.05	2,440,227.27	2.6043	\$ 11,314.50			2.9678	
High Performance New Construction	2.6043	32.86	74,907.86	2.6043	\$ 1,026.80			2.9678	
GS GREATER THAN 50 KW TOTAL		394.90	2,515,135		\$ 12,341.30	0.00	0		\$ -
RESULTS FROM 2009 TOTAL		1,763.50	6,110,636		\$ 41,897.42	0.00	0		\$ -
Results from 2008									
Residential									
Cool Savings Rebate	0.0138	106.45	168,039.34	0.0138	\$ 2,318.94			0.0142	
Every Kilowatt Counts Power Savings Event	0.0138	40.40	720,856.67	0.0138	\$ 9,947.82			0.0142	
Great Refrigerator Roundup	0.0138	42.34	404,195.65	0.0138	\$ 5,577.90			0.0142	
peaksaverPLUS	0.0138	286.12	4,567.22	0.0138	\$ 63.03			0.0142	
Summer Sweepstakes	0.0138	138.39	344,216.73	0.0138	\$ 4,750.19			0.0142	
RESIDENTIAL TOTAL		613.70	1,641,876		\$ 22,657.88	0.00	0		\$ -
GS Less Than 50 kW									
peaksaverPLUS	0.0065	3.20	5.10	0.0065	\$ 0.03			0.0067	
GS LESS THAN 50 KW TOTAL		3.20	5		\$ 0.03	0.00	0		\$ -
GS Greater Than 50 kW									
Retrofit	2.6043	60.62	308,271.10	2.6043	\$ 1,894.53			2.9678	
High Performance New Construction	2.6043	3.02	2,551.18	2.6043	\$ 94.45			2.9678	
GS GREATER THAN 50 KW TOTAL		63.64	310,822		\$ 1,988.98	0.00	0		\$ -
RESULTS FROM 2008 TOTAL		680.54	1,952,703		\$ 24,646.90	0.00	0		\$ -
Results from 2007									
Residential									
Cool & Hot Savings Rebate	0.0138	97.56	151,023.21	0.0138	\$ 2,084.12			0.0142	
Every Kilowatt Counts	0.0138	33.35	906,674.06	0.0138	\$ 12,512.10			0.0142	
Great Refrigerator Roundup	0.0138	20.14	175,333.48	0.0138	\$ 2,419.60			0.0142	
peaksaverPLUS	0.0138	29.64	39.22	0.0138	\$ 0.54			0.0142	
Social Housing Pilot	0.0138	10.16	86,375.11	0.0138	\$ 1,191.98			0.0142	
RESIDENTIAL TOTAL		190.84	1,319,445		\$ 18,208.34	0.00	0		\$ -
GS Less Than 50 kW									
peaksaverPLUS	0.0065	2.56	4.08	0.0065	\$ 0.03			0.0067	
GS LESS THAN 50 KW TOTAL		2.56	4		\$ 0.03	0.00	0		\$ -
RESULTS FROM 2007 TOTAL		193.40	1,319,449		\$ 18,208.37	0.00	0		\$ -
Results from 2006									
Residential									
Cool & Hot Savings Rebate	0.0138	90.33	97,471.27	0.0138	\$ 1,345.10			0.0142	
Every Kilowatt Counts	0.0138	29.83	326,087.39	0.0138	\$ 4,500.01			0.0142	
RESIDENTIAL TOTAL		120.16	423,559		\$ 5,845.11	0.00	0		\$ -
RESULTS FROM 2006 TOTAL		120.16	423,559		\$ 5,845.11	0.00	0		\$ -
Summary By Rate Class (2011 - 2014)									
Residential	0.0138	1,080.88	2,958,619.71	0.0138	\$ 40,828.95	1,524.50	4,782,082.99	0.0142	\$ 67,586.77
General Service Less Than 50 kW	0.0065	990.84	4,833,470.42	0.0065	\$ 31,417.56	1,709.49	5,974,310.49	0.0067	\$ 39,828.74
General Service Greater Than 50 kW	2.6043	2,161.71	10,055,234.60	2.6043	\$ 56,723.07	5,620.14	40,197,868.31	2.9678	\$ 186,082.25
SUMMARY BY RATE CLASS (2011 - 2014) TOTAL		4,233.44	17,847,325		\$ 128,969.58	8,854.13	50,954,262		\$ 293,497.76
Summary By Rate Class (2005 - 2010)									
Residential	0.0138	2,147.82	5,333,219.24	0.0138	\$ 73,598.43	0.00	0.00	0.0142	\$ -
General Service Less Than 50 kW	0.0065	792.39	2,949,449.34	0.0065	\$ 19,171.42	0.00	0.00	0.0067	\$ -
General Service Greater Than 50 kW	2.6043	819.52	4,513,220.25	2.6043	\$ 25,611.37	0.00	0.00	2.9678	\$ -
SUMMARY BY RATE CLASS (2005 - 2010) TOTAL		3,759.74	12,795,889		\$ 118,381.22	0.00	0		\$ -
LRAM CDM RESULTS AND PERSISTENCE TOTAL		7,993.17	30,643,213.56		\$ 247,350.80	8,854.13	50,954,261.80		\$ 293,497.76
Load Forecast CDM Component									
Residential	0.0138	0.00	3,928,130.30	0.0138	\$ 54,208.20	0.00	3,928,130.30	0.0142	\$ 55,517.57
General Service Less Than 50 kW	0.0065	0.00	5,278,065.33	0.0065	\$ 34,307.42	0.00	5,278,065.33	0.0067	\$ 35,187.10
General Service Greater Than 50 kW (Annualized)	2.6043	14,263.65	5,602,979.85	2.6043	\$ 37,146.81	14,263.65	5,602,979.85	2.9678	\$ 41,467.51
LOAD FORECAST CDM COMPONENT TOTAL		14,263.65	14,809,175.48		\$ 125,662.44	14,263.65	14,809,175.48		\$ 132,172.19
BRANTFORD POWER INC. NET LRAMVA TOTAL (LRAM (2011 - 2014) MINUS FORECAS		-10,030.21	3,038,149.25		\$ 3,307.14	-5,409.52	36,145,086.32		\$ 161,325.57
Lost Revenue Adjustment Mechanism Variance									\$164,632.71
Lost Revenue Adjustment Mechanism									\$118,381.22

METHODOLOGY

All results are at the end-user level (not including transmission and distribution losses)

EQUATIONS:

PRESCRIPTIVE MEASURES/PROJECTS:

Gross Savings = Activity * Per Unit Assumption

Net Savings = Gross Savings * Net-to-Gross Ratio

All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)

ENGINEERED/CUSTOM PROJECTS:

Gross Savings = Reported Savings * Realization Rate

Net Savings = Gross Savings * Net-to-Gross Ratio

All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)

DEMAND RESPONSE:

Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio

Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW

All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Consumer Program				
1	Appliance Retirement	Includes both retail and home pickup stream; Retail stream allocated based on average of residential throughput; Home pickup stream directly attributed by postal code or customer selection	Savings are considered to begin in the year the appliance is picked up.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
2	Appliance Exchange	When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of residential throughput	Savings are considered to begin in the year that the exchange event occurred	
3	HVAC Incentives	Results directly attributed to LDC based on customer postal code	Savings are considered to begin in the year that the installation occurred	
4	Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC; Otherwise results are allocated based on average of residential throughput	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level. Reported results are presented with verified per unit assumptions and net-to-gross ratio from Bi-Annual Retailer Event and Conservation Instant Coupon Booklet initiatives.
5	Bi-Annual Retailer Event	Results are allocated based on average of residential throughput	Savings are considered to begin in the year in which the event occurs.	
6	Retailer Co-op	When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of residential throughput.	Savings are considered to begin in the year of the home visit and installation date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level. Reported results are presented with verified per unit assumptions and net-to-gross ratio from Bi-Annual Retailer Event and Conservation Instant Coupon Booklet initiatives.
7	Residential Demand Response	Results are directly attributed to LDC based on data provided to OPA through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
8	Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the saveONenergy CRM system; Reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year of the project completion date.	Peak demand and energy savings are determined using a measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Business Program				
9	Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
10	Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
11	Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
12	New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated, reported results are presented with reported assumptions.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
13	Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
14	Commercial Demand Response (part of the Residential program schedule)	Results are directly attributed to LDC based on data provided to OPA through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.
15	Demand Response 3 (part of the Industrial program schedule)	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st of the relevant year, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Industrial Program				
16	Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application in the saveONenergy CRM system.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
17	Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
18	Energy Manager	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
19	Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
20	Demand Response 3	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st of the relevant year, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a result of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Home Assistance Program				
21	Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application; reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Legacy Programs Completed in Current Year				
22	Electricity Retrofit Incentive Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available , an estimate is made based on the kWh to kW ratio in the provincial results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
23	High Performance New Construction	Results are directly attributed to LDC based on customer data provided to the OPA from the gas utility.	Savings are considered to begin in the year in which a project was completed.	
24	Toronto Comprehensive	Program run exclusively in Toronto Hydro-Electric System Limited service territory		

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
25	Multifamily Energy Efficiency Rebates	Results are directly attributed to LDC based on LDC identified in the application	Savings are considered to begin in the year in which a project was completed.	<p>Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).</p>
26	Data Centre Incentive Program	Program run exclusively in PowerStream Inc. service territory		
27	EnWin Green Suites	Program run exclusively in ENWIN Utilities Ltd. service territory		

Brantford Power Inc.

EB-2016-0058

Exhibit 4

Attachment 4-I

Filed: May 4, 2016

Attachment 4-I

2010 Final CDM Report- Filed As Live Excel Document

Brantford Power Inc.

EB-2016-0058

Exhibit 4

Attachment 4-J

Filed: May 4, 2016

Attachment 4-J

2014 Final CDM Report



Message from the Vice President:

The IESO is pleased to provide the enclosed 2011-2014 Final Results Report. This report is designed to help populate LDC Annual Reports that will be submitted to the Ontario Energy Board (OEB) in September 2015.

2011-2014 Conservation Framework Highlights:

- LDCs have made significant achievements against dual energy and peak demand savings targets. Collectively, the LDCs have achieved 109% of the energy target and 70% of the peak demand target.
- Momentum has built as we transition to the Conservation First Framework. 2014 demonstrated an achievement of over 1 TWh of net incremental energy savings, positioning us well for average net incremental energy savings of 1.2 TWh required in the new framework to meet our 2020 CDM targets.
- Throughout the past framework, program results have become more predictable year over year as noted in the increasingly smaller variance between quarterly preliminary results and verified final results.
- Customer engagement continued to increase in both the Consumer and Business Programs. Between 2011 - 2014 consumers have purchased over 10 million energy efficient products through the saveONenergy COUPONS program. Customers in RETROFIT continue to declare a positive experience participating in the program with 86% likely to recommend.
- saveONenergy has seen a steady and significant increase in unaided brand awareness by 33% from 2011-2014
- Conservation is becoming even more cost-effective as programs become more efficient and effective. 2014 proved early investments in long lead time projects will pay off with the high savings now being realized in programs like PROCESS & SYSTEMS and RETROFIT. Within 4 cents per kWh, Conservation programs continue to be a valuable and cost effective resource for customers across the province.

The 2011-2014 Final Results within this report vary from the Draft 2011-2014 Final Results Report for the following reasons:

- Savings from Time of Use pricing are included in the Final Results Report. Overall the province saved 55 MWs from Time-of-Use pricing in 2014, or 0.73% of residential summer peak demand.
- Between August 4th and August 28th, the IESO and LDCs have worked collaboratively to reconcile projects from 2011-2014 Final Results Report to ensure every eligible project was captured and accurately reported.
- Verified savings from Innovation Fund pilots are also included for participating LDCs.

All results will be considered final for the 2011-2014 Conservation Framework. Any additional program activity not captured in the 2011-2014 Final Results Report will not be included as part of a future adjustment process.

Please continue to monitor saveONenergy E-blasts for future updates and should you have any other questions or comments please contact LDC.Support@ieso.ca.

We appreciate your collaboration and cooperation throughout the reporting and evaluation process and we look forward to the success ahead in the Conservation First Framework.

Sincerely,

Terry Young

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IESO-Contracted Province-Wide CDM Programs: 2011-2014 Final Results Report

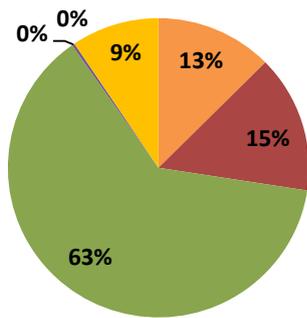
LDC: Brantford Power Inc.

Final 2014 Achievement Against Targets	2014 Incremental	2011-2014	
		Achievement Against Target	% of Target Achieved
Net Annual Peak Demand Savings (MW)	6.0	9.0	79.3%
Net Energy Savings (GWh)	36.0	82.2	167.9%

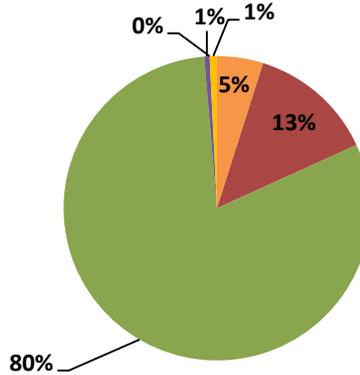
Unless otherwise noted, results are presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Achievement by Sector

2014 Incremental Peak Demand Savings (MW)



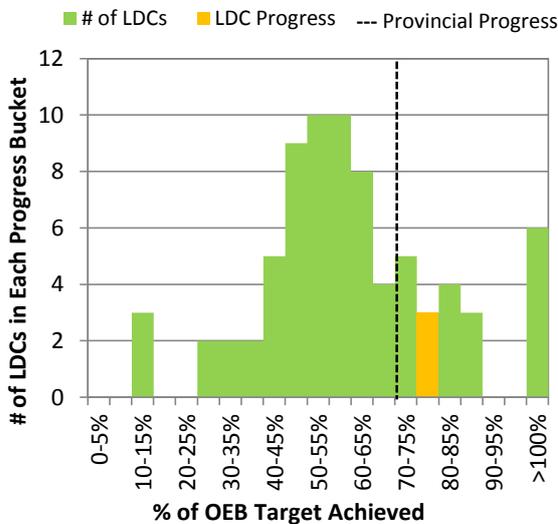
2014 Incremental Energy Savings (GWh)



■ Consumer
 ■ Business
 ■ Industrial
 ■ HAP
 ■ ACP
 ■ Other

Comparison: LDC Achievement vs. LDC Community Achievement (Progress to Target)

% of OEB Peak Demand Savings Target Achieved



% of OEB Energy Savings Target Achieved

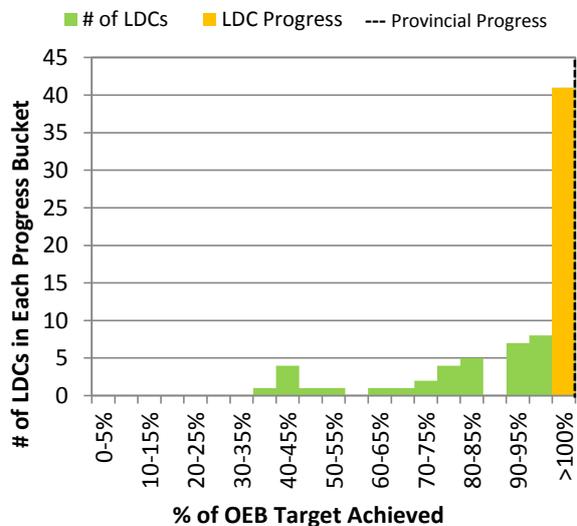


Table 1: Brantford Power Inc. Initiative and Program Level Net Savings by Year

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
Consumer Program															
Appliance Retirement	Appliances	607	405	240	222	35	24	16	15	250,242	159,035	102,324	96,340	88	1,778,456
Appliance Exchange	Appliances	81	4	123	117	9	1	25	24	12,869	968	45,441	43,224	56	185,038
HVAC Incentives	Equipment	857	899	852	1,005	310	192	168	197	571,421	327,050	281,618	363,072	867	4,193,142
Conservation Instant Coupon Booklet	Items	3,762	224	2,524	8,659	9	2	4	20	149,983	10,144	55,920	242,190	35	984,397
Bi-Annual Retailer Event	Items	6,908	7,697	6,855	35,005	12	11	9	58	213,214	194,308	124,644	891,692	90	2,576,759
Retailer Co-op	Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	192	198	711	959	108	91	313	352	278	686	274	0	352	1,238
Residential Demand Response (IHD)	Devices	0	0	545	756	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Consumer Program Total						483	320	534	667	1,198,008	692,192	610,222	1,636,517	1,487	9,719,030
Business Program															
Retrofit	Projects	21	53	87	106	179	712	772	592	1,194,344	4,496,823	3,875,109	3,952,036	2,209	29,774,216
Direct Install Lighting	Projects	102	64	69	122	159	69	73	117	412,361	269,848	236,782	431,458	382	3,255,213
Building Commissioning	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Construction	Buildings	0	0	2	2	0	0	0	2	0	0	0	16,138	2	16,138
Energy Audit	Audits	0	0	7	1	0	0	18	13	0	0	96,902	65,274	31	259,077
Small Commercial Demand Response	Devices	7	5	5	5	4	3	3	3	16	18	5	0	3	40
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	2	2	2	2	68	68	69	63	2,636	984	917	0	63	4,536
Business Program Total						410	851	934	791	1,609,356	4,767,673	4,209,715	4,464,906	2,690	33,309,220
Industrial Program															
Process & System Upgrades	Projects	0	0	0	1	0	0	0	3,054	0	0	0	27,003,930	3,054	27,003,930
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Retrofit	Projects	12	0	0	0	90	0	0	0	613,727	0	0	0	90	2,454,907
Demand Response 3	Facilities	2	1	3	3	170	87	347	286	9,993	2,104	7,894	0	286	19,990
Industrial Program Total						261	87	347	3,340	623,720	2,104	7,894	27,003,930	3,430	29,478,828
Home Assistance Program															
Home Assistance Program	Homes	0	203	208	514	0	17	17	15	0	130,921	168,392	193,419	49	921,895
Home Assistance Program Total						0	17	17	15	0	130,921	168,392	193,419	49	921,895
Aboriginal Program															
Home Assistance Program	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	29	0	0	0	141	0	0	0	842,905	0	0	0	141	3,371,618
High Performance New Construction	Projects	1	0	1	0	47	1	0	0	241,785	794	0	0	48	969,524
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011 Total						188	1	0	0	1,084,690	794	0	0	189	4,341,143
Other															
Program Enabled Savings	Projects	0	0	2	6	0	0	0	32	0	0	0	256,700	32	256,700
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	469	0	0	0	0	469	0
LDC Pilots	Projects	0	0	0	1	0	0	0	29	0	0	0	266,088	29	266,088
Other Total						0	0	0	501	0	0	0	256,700	501	256,700
Adjustments to 2011 Verified Results															
Adjustments to 2012 Verified Results															
Adjustments to 2013 Verified Results															
Energy Efficiency Total						992	1,027	1,100	4,639	4,502,851	5,589,893	4,987,133	33,821,560	7,672	78,267,098
Demand Response Total (Scenario 1)						350	249	732	704	12,923	3,792	9,090	0	704	25,805
Adjustments to Previous Years' Verified Results Total						0	-66	14	696	0	-230,189	83,141	2,175,904	645	3,860,905
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						1,342	1,211	1,846	6,039	4,515,774	5,363,496	5,079,363	35,997,464	9,021	82,153,808
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).												Full OEB Target:		11,380	48,920,000
*Includes adjustments after Final Reports were issued												% of Full OEB Target Achieved to Date (Scenario 1):		79.3%	167.9%
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year															

Table 2: Adjustments to Brantford Power Inc. Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-235	35	41		-66	7	9		-119,842	13,182	15,706		-50	-408,409
Conservation Instant Coupon Booklet	Items	60	0	8		0	0	0		2,000	0	171		0	8,342
Bi-Annual Retailer Event	Items	594	0	0		1	0	0		15,841	0	0		1	63,364
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	0	0	0		0	0	0		0	0	0		0	0
Consumer Program Total						-65	7	9		-102,001	13,182	15,877		-49	-336,703
Business Program															
Retrofit	Projects	1	7	7		0	12	81		1,040	94,551	447,472		93	1,182,757
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	0	0	2		0	0	86		0	0	501,667		86	1,003,334
Energy Audit	Audits	0	0	5		0	0	44		0	0	242,479		44	484,958
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						0	12	211		1,040	94,551	1,191,618		223	2,671,049
Industrial Program															
Process & System Upgrades	Projects	0	0	0		0	0	0		0	0	0		0	0
Monitoring & Targeting	Projects	0	0	0		0	0	0		0	0	0		0	0
Energy Manager	Projects	0	0	0		0	0	0		0	0	0		0	0
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						0	0	0		0	0	0		0	0
Home Assistance Program															
Home Assistance Program	Homes	0	98	47		0	15	10		0	153,119	59,478		25	577,112
Home Assistance Program Total						0	15	10		0	153,119	59,478		25	577,112
Aboriginal Program															
Home Assistance Program	Homes	0	0	0		0	0	0		0	0	0		0	0
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0		0	0	0		0	0
High Performance New Construction	Projects	0	0	1		-1	0	27		-128,469	0	140,495		27	-232,885
Toronto Comprehensive	Projects	0	0	0		0	0	0		0	0	0		0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						-1	0	27		-128,469	0	140,495		27	-232,885
Other															
Program Enabled Savings	Projects	0	0	2		0	0	419		0	0	591,166		419	1,182,332
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
Other Total						0	0	419		0	0	591,166		419	1,182,332
Adjustments to 2011 Verified Results						-65				-229,430				-65	-917,718
Adjustments to 2012 Verified Results							34				260,852			34	782,231
Adjustments to 2013 Verified Results								676				1,998,634		676	3,996,392
Total Adjustments to Previous Years' Verified Results						-65	34	676		-229,430	260,852	1,998,634		645	3,860,905

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 3: Brantford Power Inc. Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	n/a	n/a	0.51	0.46	0.42	0.42	1.00	1.00	n/a	n/a	0.51	0.47	0.44	0.44
Appliance Exchange	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	n/a	1.00	0.60	0.50	0.48	0.51	1.00	1.00	n/a	1.00	0.60	0.49	0.48	0.51
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.15	1.00	1.11	1.63	1.00	1.00	1.00	1.00	1.13	1.05	1.13	1.68
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.13	0.91	1.04	1.74	1.00	1.00	1.00	1.00	1.10	0.92	1.04	1.75
Retailer Co-op	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Business Program																
Retrofit	0.91	0.90	0.96	0.81	0.72	0.75	0.76	0.71	1.08	0.96	1.06	0.97	0.77	0.75	0.77	0.72
Direct Install Lighting	1.08	0.69	0.81	0.78	0.93	0.94	0.94	0.94	0.90	0.85	0.84	0.83	0.93	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
New Construction	n/a	n/a	n/a	0.34	n/a	n/a	n/a	0.54	n/a	n/a	n/a	0.64	n/a	n/a	n/a	0.54
Energy Audit	n/a	n/a	1.02	0.96	n/a	n/a	0.66	0.68	n/a	n/a	0.97	1.00	n/a	n/a	0.66	0.67
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Program																
Process & System Upgrades	n/a	n/a	n/a	0.96	n/a	n/a	n/a	0.87	n/a	n/a	n/a	1.01	n/a	n/a	n/a	0.87
Monitoring & Targeting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Energy Manager	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Retrofit																
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	n/a	0.26	0.69	0.80	n/a	1.00	1.00	1.00	n/a	0.98	0.90	0.75	n/a	1.00	1.00	1.00
Aboriginal Program																
Home Assistance Program	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.80	n/a	n/a	n/a	0.53	n/a	n/a	n/a	0.81	n/a	n/a	n/a	0.54	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50	1.00	1.00	1.00	1.00	0.50	0.50	0.50	0.50
Toronto Comprehensive	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other																
Program Enabled Savings	n/a	n/a	n/a	0.99	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.99	n/a	n/a	n/a	1.00
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Summary Achievement Against CDM Targets

Results are recognized using current IESO reporting policies. Energy efficiency resources persist for the duration of the effective useful life. Any upcoming code changes are taken into account. Demand response resources persist for 1 year (Scenario 1). Please see methodology tab for more detailed information.

Table 4: Net Peak Demand Savings at the End User Level (MW) (Scenario 1)

Implementation Period	Annual			
	2011	2012	2013	2014
2011 - Verified	1.3	1.0	1.0	1.0
2012 - Verified†	-0.1	1.2	0.9	0.9
2013 - Verified†	0.0	0.0	1.8	1.1
2014 - Verified†	0.0	0.0	0.7	6.0
Verified Net Annual Peak Demand Savings Persisting in 2014:				9.0
Brantford Power Inc. 2014 Annual CDM Capacity Target:				11.4
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				79.3%

Table 5: Net Energy Savings at the End User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011 - Verified	4.5	4.5	4.5	4.4	17.9
2012 - Verified†	-0.2	5.4	5.3	5.3	15.7
2013 - Verified†	0.0	0.1	5.1	5.0	10.2
2014 - Verified†	0.0	0.2	2.18	36.0	38.4
Verified Net Cumulative Energy Savings 2011-2014:					82.2
Brantford Power Inc. 2011-2014 Annual CDM Energy Target:					48.9
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					167.9%

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Table 6: Province-Wide Initiatives and Program Level Net Savings by Year (Scenario 1)

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
Consumer Program															
Appliance Retirement	Appliances	56,110	34,146	20,952	22,563	3,299	2,011	1,433	1,617	23,005,812	13,424,518	8,713,107	9,497,343	8,221	159,100,415
Appliance Exchange	Appliances	3,688	3,836	5,337	5,685	371	556	1,106	1,178	450,187	974,621	1,971,701	2,100,266	2,273	10,556,192
HVAC Incentives	Equipment	92,748	87,540	96,286	113,002	32,037	19,060	19,552	23,106	59,437,670	32,841,283	33,923,592	42,888,217	93,755	447,009,930
Conservation Instant Coupon Booklet	Items	567,678	30,891	347,946	1,208,108	1,344	230	517	2,440	21,211,537	1,398,202	7,707,573	32,802,537	4,531	137,258,436
Bi-Annual Retailer Event	Items	952,149	1,060,901	944,772	4,824,751	1,681	1,480	1,184	8,043	29,387,468	26,781,674	17,179,841	122,902,769	12,389	355,157,348
Retailer Co-op	Items	152	0	0	0	0	0	0	0	2,652	0	0	0	0	10,607
Residential Demand Response	Devices	19,550	98,388	171,733	241,381	10,947	49,038	93,076	117,513	24,870	359,408	390,303	8,379	117,513	782,960
Residential Demand Response (IHD)	Devices	0	49,689	133,657	188,577	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	27	21	279	2,367	0	2	18	369	743	17,152	163,690	2,330,865	390	2,712,676
Consumer Program Total						49,681	72,377	116,886	154,267	133,520,941	75,796,859	70,049,807	212,530,376	239,772	1,112,588,565
Business Program															
Retrofit	Projects	2,828	6,481	9,746	10,925	24,467	61,147	59,678	70,662	136,002,258	314,922,468	345,346,008	462,903,521	213,493	2,631,401,223
Direct Install Lighting	Projects	20,741	18,691	17,833	23,784	23,724	15,284	18,708	23,419	61,076,701	57,345,798	64,315,558	84,503,302	73,304	604,196,658
Building Commissioning	Buildings	0	0	0	5	0	0	0	988	0	0	0	1,513,377	988	1,513,377
New Construction	Buildings	25	98	158	226	123	764	1,584	6,432	411,717	1,814,721	4,959,266	20,381,204	8,904	37,390,767
Energy Audit	Audits	222	357	589	473	0	1,450	2,811	6,323	0	7,049,351	15,455,795	30,874,399	10,583	82,934,042
Small Commercial Demand Response	Devices	132	294	1,211	3,652	84	187	773	2,116	157	1,068	373	319	2,116	1,916
Small Commercial Demand Response (IHD)	Devices	0	0	378	820	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	145	151	175	180	16,218	19,389	23,706	23,380	633,421	281,823	346,659	0	23,380	1,261,903
Business Program Total						64,617	98,221	107,261	133,319	198,124,253	381,415,230	430,423,659	600,176,121	332,769	3,358,699,887
Industrial Program															
Process & System Upgrades	Projects	0	0	5	10	0	0	294	9,692	0	0	2,603,764	72,053,255	9,986	77,260,782
Monitoring & Targeting	Projects	0	1	3	5	0	0	0	102	0	0	0	502,517	102	502,517
Energy Manager	Projects	1	132	306	379	0	1,086	3,558	5,191	0	7,372,108	21,994,263	40,436,427	8,384	95,324,998
Retrofit	Projects	433	0	0	0	4,615	0	0	0	28,866,840	0	0	0	4,613	115,462,282
Demand Response 3	Facilities	124	185	281	336	52,484	74,056	162,543	166,082	3,080,737	1,784,712	4,309,160	0	166,082	9,174,609
Industrial Program Total						57,098	75,141	166,395	181,066	31,947,577	9,156,820	28,907,187	112,992,199	189,168	297,725,188
Home Assistance Program															
Home Assistance Program	Homes	46	5,920	29,654	25,424	2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Home Assistance Program Total						2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Aboriginal Program															
Home Assistance Program	Homes	0	0	717	1,125	0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	2,028	0	0	0	21,662	0	0	0	121,138,219	0	0	0	21,662	484,552,876
High Performance New Construction	Projects	182	73	19	3	5,098	3,251	772	134	26,185,591	11,901,944	3,522,240	688,738	9,255	148,181,415
Toronto Comprehensive	Projects	577	15	4	5	15,805	0	0	281	86,964,886	0	0	2,479,840	16,086	350,339,385
Multifamily Energy Efficiency Rebates	Projects	110	0	0	0	1,981	0	0	0	7,595,683	0	0	0	1,981	30,382,733
LDC Custom Programs	Projects	8	0	0	0	399	0	0	0	1,367,170	0	0	0	399	5,468,679
Pre-2011 Programs completed in 2011 Total						44,945	3,251	772	415	243,251,550	11,901,944	3,522,240	3,168,578	49,382	1,018,925,088
Other															
Program Enabled Savings	Projects	33	71	46	43	0	2,304	3,692	5,500	0	1,188,362	4,075,382	19,035,337	11,496	30,751,187
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	54,795	0	0	0	0	54,795	0
LDC Pilots	Projects	0	0	0	1,174	0	0	0	1,170	0	0	0	5,061,522	1,170	5,061,522
Other Total						0	2,304	3,692	61,466	0	1,188,362	4,075,382	24,096,859	67,462	35,812,709
Adjustments to 2011 Verified Results							1,406	641	1,418		18,689,081	1,736,381	7,319,857	3,215	110,143,550
Adjustments to 2012 Verified Results								6,260	9,221			41,947,840	37,080,215	15,401	238,780,637
Adjustments to 2013 Verified Results									24,391				150,785,808	24,391	296,465,211
Energy Efficiency Total						136,610	109,191	117,536	224,457	603,144,419	482,474,435	554,528,447	975,639,300	575,647	5,896,382,612
Demand Response Total (Scenario 1)						79,733	142,670	280,099	309,091	3,739,185	2,427,011	5,046,495	8,698	309,091	11,221,389
Adjustments to Previous Years' Verified Results Total						0	1,406	6,901	35,030	0	18,689,081	43,684,221	195,185,880	43,006	645,389,397
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						216,343	253,267	404,536	568,578	606,883,604	503,590,526	603,259,163	1,170,833,878	927,745	6,552,993,397
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).												*Includes adjustments after Final Reports were issued			
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year												Full OEB Target:			
												1,330,000	6,000,000,000		
												% of Full OEB Target Achieved to Date (Scenario 1):			
												70%	109%		

Table 7: Adjustments to Province-Wide Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-18,839	2,319	4,705		-5,270	479	1,037		-9,707,002	955,512	1,838,408		-3,754	-32,284,656
Conservation Instant Coupon Booklet	Items	8,216	0	1,050		16	0	2		275,655	0	23,571		18	1,149,763
Bi-Annual Retailer Event	Items	81,817	0	0		108	0	0		2,183,391	0	0		108	8,733,563
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	20	2	193		1	1	72		14,667	985	441,938		74	945,497
Consumer Program Total						-5,145	480	1,111		-7,233,290	956,497	2,303,917		-3,555	-21,664,975
Business Program															
Retrofit	Projects	312	876	961		3,208	7,233	11,961		16,266,129	42,498,052	78,146,280		22,056	347,545,386
Direct Install Lighting	Projects	444	197	51		501	204	46		1,250,388	736,541	164,667		620	7,158,143
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	15	29	72		850	1,304	2,241		3,604,553	4,825,774	8,636,179		4,401	46,187,216
Energy Audit	Audits	119	77	270		604	439	2,383		2,945,189	2,145,367	13,100,635		3,426	44,418,129
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						5,162	9,181	16,631		24,066,259	50,205,734	100,047,761		30,503	385,148,444
Industrial Program															
Process & System Upgrades	Projects	0	0	2		0	0	324		0	0	968,659		324	1,937,318
Monitoring & Targeting	Projects	0	1	3		0	0	54		0	528,000	639,348		54	2,862,696
Energy Manager	Projects	1	93	101		27	1,067	2,395		241,515	8,266,841	25,814,853		4,345	81,853,489
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						27	1,067	2,774		241,515	8,794,841	27,422,860		4,723	61,215,516
Home Assistance Program															
Home Assistance Program	Homes	0	887	2,898		0	222	791		0	1,316,749	4,321,794		1,009	12,515,300
Home Assistance Program Total						0	222	791		0	1,316,749	4,321,794		1,009	8,581,177
Aboriginal Program															
Home Assistance Program	Homes	0	0	133		0	0	134		0	0	563,715		134	1,127,430
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	134		0	0	563,715		134	1,127,430
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	12	0	0		138	0	0		545,536	0	0		138	2,182,145
High Performance New Construction	Projects	37	4	15		1,507	363	-184		2,398,941	2,832,533	-993,596		1,686	16,106,171
Toronto Comprehensive	Projects	0	15	4		0	672	185		0	4,523,517	1,324,388		857	16,219,327
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						1,645	1,035	2		2,944,477	7,356,050	330,792		2,682	11,104,528
Other															
Program Enabled Savings	Projects	33	55	33		1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
Other Total						1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Adjustments to 2011 Verified Results						3,465				27,746,535				3,215	110,143,550
Adjustments to 2012 Verified Results							15,697				80,111,558			15,401	238,780,637
Adjustments to 2013 Verified Results								23,463				145,679,403		24,391	296,465,211
Adjustments to Previous Years' Verified Results Total						3,465	15,697	23,463		27,746,535	80,111,558	145,679,403		43,006	645,389,397

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 8: Province-Wide Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	1.00	1.00	0.51	0.46	0.42	0.45	1.00	1.00	1.00	1.00	0.46	0.47	0.44	0.47
Appliance Exchange	1.00	1.00	1.00	1.00	0.51	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	1.00	1.00	0.60	0.50	0.48	0.48	1.00	1.00	1.00	1.00	0.50	0.49	0.48	0.48
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.69	1.00	1.00	1.00	1.00	1.00	1.05	1.13	1.73
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.12	0.91	1.04	1.74	1.00	1.00	1.00	1.00	0.91	0.92	1.04	1.75
Retailer Co-op	1.00	n/a	n/a	n/a	0.68	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	1.00	3.65	0.78	1.03	0.41	0.49	0.63	0.63	3.65	7.17	3.09	0.62	0.49	0.49	0.63	0.63
Business Program																
Retrofit	1.06	0.93	0.92	0.84	0.72	0.75	0.73	0.71	0.93	1.05	1.01	0.98	0.75	0.76	0.73	0.72
Direct Install Lighting	1.08	0.69	0.82	0.78	1.08	0.94	0.94	0.94	0.69	0.85	0.84	0.83	0.94	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	1.97	n/a	n/a	n/a	1.00	n/a	n/a	n/a	1.16	n/a	n/a	n/a	1.00
New Construction	0.50	0.98	0.68	0.71	0.50	0.49	0.54	0.54	0.98	0.99	0.76	0.79	0.49	0.49	0.54	0.54
Energy Audit	n/a	n/a	1.02	0.96	n/a	n/a	0.66	0.68	n/a	n/a	0.97	1.00	n/a	n/a	0.66	0.67
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Program																
Process & System Upgrades	n/a	n/a	0.85	0.96	n/a	n/a	0.94	0.79	n/a	n/a	0.87	0.96	n/a	n/a	0.93	0.80
Monitoring & Targeting	n/a	n/a	n/a	0.59	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.36	n/a	n/a	n/a	1.00
Energy Manager	n/a	1.16	0.90	0.91	n/a	0.90	0.90	0.90	1.16	1.16	0.90	0.96	0.90	0.90	0.90	0.85
Retrofit	1.11	n/a	n/a	n/a	0.72	n/a	n/a	n/a	0.91	n/a	n/a	n/a	0.75	n/a	n/a	n/a
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	1.00	0.32	0.26	0.49	0.70	1.00	1.00	1.00	0.32	0.99	0.88	0.78	1.00	1.00	1.00	1.00
Aboriginal Program																
Home Assistance Program	n/a	n/a	0.05	0.15	n/a	n/a	1.00	1.00	n/a	n/a	0.95	0.97	n/a	n/a	1.00	1.00
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.80	n/a	n/a	n/a	0.54	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	n/a	0.49	0.50	0.50	0.50	1.00	1.00	1.00	n/a	0.50	0.50	0.50	0.50
Toronto Comprehensive	1.13	n/a	n/a	n/a	0.50	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	0.93	n/a	n/a	n/a	0.78	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	1.00	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other																
Program Enabled Savings	n/a	1.06	1.00	0.86	n/a	1.00	1.00	1.00	n/a	2.26	1.00	0.98	n/a	1.00	1.00	1.00
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Summary Provincial Progress Towards CDM Targets

Table 9: Province-Wide Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual			
	2011	2012	2013	2014
2011	216.3	136.6	135.8	129.0
2012†	1.4	253.3	109.8	108.2
2013†	0.6	7.0	404.5	122.0
2014†	1.4	10.8	34.2	568.6
Verified Net Annual Peak Demand Savings in 2014:				927.7
2014 Annual CDM Capacity Target:				1,330
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				69.8%

Table 10: Province-Wide Net Energy Savings at the End-User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011	606.9	603.0	601.0	582.3	2,393.1
2012†	18.7	503.6	498.4	492.6	1,513.3
2013†	1.7	44.4	603.3	583.4	1,232.8
2014†	7.3	44.8	191.0	1,170.8	1,413.9
Verified Net Cumulative Energy Savings 2011-2014:					6,553.0
2011-2014 Cumulative CDM Energy Target:					6,000
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					109.2%

†Includes adjustments to previous years' verified results

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

METHODOLOGY

All results are at the end-user level (not including transmission and distribution losses)

EQUATIONS	
Prescriptive Measures and Projects	Gross Savings = Activity * Per Unit Assumption Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Engineered and Custom Projects	Gross Savings = Reported Savings * Realization Rate Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Demand Response	Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)
Adjustments to Previous Years' Verified Results	All variances from the Final Annual Results Reports from prior years will be adjusted within this report. Any variances with regards to projects counts, data lag, and calculations etc., will be made within this report. Considers the cumulative effect of energy savings.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Consumer Program			
Appliance Retirement	Includes both retail and home pickup stream. Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection.	Savings are considered to begin in the year the appliance is picked up.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Appliance Exchange	When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year that the exchange event occurred.	
HVAC Incentives	Results directly attributed to LDC based on customer postal code.	Savings are considered to begin in the year that the installation occurred.	

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC. Otherwise results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Bi-Annual Retailer Event	Results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the event occurs.	
Retailer Co-op	When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year of the home visit and installation date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Residential Demand Response	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists.	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the iCon system. Initiative was not evaluated in 2011, reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year of the project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Business Program			
Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the iCon system. Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date in the iCON system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
Additional Note: project counts were derived by filtering out invalid statuses (e.g. Post-Project Submission - Payment denied by LDC) and only including projects with an "Actual Project Completion Date" in 2014)			

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	
Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Commercial Demand Response (part of the Residential program schedule)	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.
Demand Response 3 (part of the Industrial program schedule)	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Industrial Program			
Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
Energy Manager	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
Demand Response 3	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Home Assistance Program			
Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Aboriginal Program			
Aboriginal Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Pre-2011 Programs completed in 2011			
Electricity Retrofit Incentive Program	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014 assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported. A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
High Performance New Construction	Results are directly attributed to LDC based on customer data provided to the OPA from Enbridge; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	
Toronto Comprehensive	Program run exclusively in Toronto Hydro-Electric System Limited service territory; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Multifamily Energy Efficiency Rebates	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
Data Centre Incentive Program	Program run exclusively in PowerStream Inc. service territory; Initiative was not evaluated in 2011, assumptions as per 2009 evaluation.		
EnWin Green Suites	Program run exclusively in ENWIN Utilities Ltd. service territory; Initiative was not evaluated in 2011 or 2012, assumptions as per 2010 evaluation.		

Consumer Program Allocation Methodology

Results can be allocated based on average of 2008 & 2009 residential throughput for each LDC (below) when additional information is not available. Source: OEB Yearbook Data 2008 & 2009

Local Distribution Company	Allocation
Algoma Power Inc.	0.2%
Atikokan Hydro Inc.	0.0%
Attawapiskat Power Corporation	0.0%
Bluewater Power Distribution Corporation	0.6%
Brant County Power Inc.	0.2%
Brantford Power Inc.	0.7%
Burlington Hydro Inc.	1.4%
Cambridge and North Dumfries Hydro Inc.	1.0%
Canadian Niagara Power Inc.	0.5%
Centre Wellington Hydro Ltd.	0.1%
Chapleau Public Utilities Corporation	0.0%
COLLUS Power Corporation	0.3%
Cooperative Hydro Embrun Inc.	0.0%
E.L.K. Energy Inc.	0.2%
Enersource Hydro Mississauga Inc.	3.9%
ENTEGRUS	0.6%
ENWIN Utilities Ltd.	1.6%
Erie Thames Powerlines Corporation	0.4%
Espanola Regional Hydro Distribution Corporation	0.1%
Essex Powerlines Corporation	0.7%
Festival Hydro Inc.	0.3%
Fort Albany Power Corporation	0.0%
Fort Frances Power Corporation	0.1%
Greater Sudbury Hydro Inc.	1.0%
Grimsby Power Inc.	0.2%
Guelph Hydro Electric Systems Inc.	0.9%
Haldimand County Hydro Inc.	0.4%
Halton Hills Hydro Inc.	0.5%
Hearst Power Distribution Company Limited	0.1%
Horizon Utilities Corporation	4.0%
Hydro 2000 Inc.	0.0%
Hydro Hawkesbury Inc.	0.1%
Hydro One Brampton Networks Inc.	2.8%
Hydro One Networks Inc.	30.0%
Hydro Ottawa Limited	5.6%
Innisfil Hydro Distribution Systems Limited	0.4%
Kashechewan Power Corporation	0.0%
Kenora Hydro Electric Corporation Ltd.	0.1%
Kingston Hydro Corporation	0.5%
Kitchener-Wilmot Hydro Inc.	1.6%
Lakefront Utilities Inc.	0.2%

Lakeland Power Distribution Ltd.	0.2%
London Hydro Inc.	2.7%
Middlesex Power Distribution Corporation	0.1%
Midland Power Utility Corporation	0.1%
Milton Hydro Distribution Inc.	0.6%
Newmarket - Tay Power Distribution Ltd.	0.7%
Niagara Peninsula Energy Inc.	1.0%
Niagara-on-the-Lake Hydro Inc.	0.2%
Norfolk Power Distribution Inc.	0.3%
North Bay Hydro Distribution Limited	0.5%
Northern Ontario Wires Inc.	0.1%
Oakville Hydro Electricity Distribution Inc.	1.5%
Orangeville Hydro Limited	0.2%
Orillia Power Distribution Corporation	0.3%
Oshawa PUC Networks Inc.	1.2%
Ottawa River Power Corporation	0.2%
Parry Sound Power Corporation	0.1%
Peterborough Distribution Incorporated	0.7%
PowerStream Inc.	6.6%
PUC Distribution Inc.	0.9%
Renfrew Hydro Inc.	0.1%
Rideau St. Lawrence Distribution Inc.	0.1%
Sioux Lookout Hydro Inc.	0.1%
St. Thomas Energy Inc.	0.3%
Thunder Bay Hydro Electricity Distribution Inc.	0.9%
Tillsonburg Hydro Inc.	0.1%
Toronto Hydro-Electric System Limited	12.8%
Veridian Connections Inc.	2.4%
Wasaga Distribution Inc.	0.2%
Waterloo North Hydro Inc.	1.0%
Welland Hydro-Electric System Corp.	0.4%
Wellington North Power Inc.	0.1%
West Coast Huron Energy Inc.	0.1%
Westario Power Inc.	0.5%
Whitby Hydro Electric Corporation	0.9%
Woodstock Hydro Services Inc.	0.3%

Reporting Glossary

Annual: the peak demand or energy savings that occur in a given year (includes resource savings from new program activity and resource savings persisting from previous years).

Cumulative Energy Savings: represents the sum of the annual energy savings that accrue over a defined period (in the context of this report the defined period is 2011 - 2014). This concept does not apply to peak demand savings.

End-User Level: resource savings in this report are measured at the customer level as opposed to the generator level (the difference being line losses).

Free-ridership: the percentage of participants who would have implemented the program measure or practice in the absence of the program.

Incremental: the new resource savings attributable to activity procured in a particular reporting period based on when the savings are considered to 'start'.

Initiative: a Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup).

Net-to-Gross Ratio: The ratio of net savings to gross savings, which takes into account factors such as free-ridership and spillover

Net Energy Savings (MWh): energy savings attributable to conservation and demand management activities net of free-riders, etc.

Net Peak Demand Savings (MW): peak demand savings attributable to conservation and demand management activities net of free-riders, etc.

Program: a group of initiatives that target a particular market sector (e.g. Consumer, Industrial).

Realization Rate: A comparison of observed or measured (evaluated) information to original reported savings which is used to adjust the gross savings estimates.

Settlement Account: the grouping of demand response facilities (contributors) into one contractual agreement

Spillover: Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.

Unit: for a specific initiative the relevant type of activity acquired in the market place (i.e. appliances picked up, projects completed, coupons redeemed).

Table 11: Brantford Power Inc. Initiative and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	70	24	34	33	500,087	159,035	217,286	204,600
Appliance Exchange**	Appliances	18	1	48	46	24,971	968	86,335	82,124
HVAC Incentives	Equipment	514	384	343	413	955,277	664,851	587,707	763,953
Conservation Instant Coupon Booklet	Items	8	2	3	12	134,486	9,620	49,642	141,039
Bi-Annual Retailer Event	Items	11	12	8	34	195,161	212,014	119,286	509,714
Retailer Co-op	Items	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	108	91	313	352	278	686	274	0
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0
Consumer Program Total		728	513	750	890	1,810,261	1,047,174	1,060,530	1,701,431
Business Program									
Retrofit	Projects	247	949	1,042	830	1,559,892	6,044,864	5,104,762	5,491,636
Direct Install Lighting	Projects	149	92	77	124	444,096	324,189	250,863	457,116
Building Commissioning	Buildings	0	0	0	0	0	0	0	0
New Construction	Buildings	0	0	0	3	0	0	0	29,885
Energy Audit	Audits	0	0	27	20	0	0	146,621	97,278
Small Commercial Demand Response	Devices	4	3	3	3	16	18	5	0
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	68	68	69	63	2,636	984	917	0
Business Program Total		468	1,112	1,218	1,043	2,006,640	6,370,055	5,503,168	6,075,915
Industrial Program									
Process & System Upgrades	Projects	0	0	0	3,510	0	0	0	31,039,000
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	0	0	0	0	0	0
Retrofit	Projects	124	0	0	0	809,669	0	0	0
Demand Response 3	Facilities	170	87	347	286	9,993	2,104	7,894	0
Industrial Program Total		294	87	347	3,796	819,662	2,104	7,894	31,039,000
Home Assistance Program									
Home Assistance Program	Homes	0	66	17	15	0	133,380	168,392	193,419
Home Assistance Program Total		0	66	17	15	0	133,380	168,392	193,419
Aboriginal Program									
Home Assistance Program	Homes	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	266	0	0	0	1,577,017	0	0	0
High Performance New Construction	Projects	94	2	0	0	483,571	1,589	0	0
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011 Total		360	2	0	0	2,060,587	1,589	0	0
Other									
Program Enabled Savings	Projects	0	0	0	32	0	0	0	256,700
Time-of-Use Savings	Homes	0	0	0	469	0	0	0	0
LDC Pilots	Projects	0	0	0	29	0	0	0	266,088
Other Total		0	0	0	501	0	0	0	256,700
Adjustments to 2011 Verified Results			-15	0	1		46,163	0	1,279
Adjustments to 2012 Verified Results				25	23			128,713	188,918
Adjustments to 2013 Verified Results					826				2,858,956
Energy Efficiency Total		1,501	1,531	1,600	5,571	6,684,228	7,550,509	6,730,895	39,532,552
Demand Response Total		350	249	732	704	12,923	3,792	9,090	0
Adjustments to Previous Years' Verified Results Total		0	-15	25	850	0	46,163	128,713	3,049,153
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		1,851	1,765	2,356	7,125	6,697,151	7,600,464	6,868,698	42,581,705

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*Includes adjustments after Final Reports were issued
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results
**Net results substituted for gross results due to unavailability of data

Table 12: Adjustments to Brantford Power Inc. Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-109	11	19		-201,466	26,781	33,038	
Conservation Instant Coupon Booklet	Items	0	0	0		1,857	0	150	
Bi-Annual Retailer Event	Items	1	0	0		17,221	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	0	0	0		0	0	0	
Consumer Program Total		-108	11	19		-182,387	26,781	33,188	
Business Program									
Retrofit	Projects	0	14	108		1,918	138,054	599,104	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	0	0	159		0	0	929,013	
Energy Audit	Audits	0	0	67		0	0	366,894	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Business Program Total		0	14	335		1,918	138,054	1,895,011	
Industrial Program									
Process & System Upgrades	Projects	0	0	0		0	0	0	
Monitoring & Targeting	Projects	0	0	0		0	0	0	
Energy Manager	Projects	0	0	0		0	0	0	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		0	0	0		0	0	0	
Home Assistance Program									
Home Assistance Program	Homes	0	0	10		0	153,119	59,478	
Home Assistance Program Total		0	0	10		0	153,119	59,478	
Aboriginal Program									
Home Assistance Program	Homes	0	0	0		0	0	0	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	0		0	0	0	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0	
High Performance New Construction	Projects	93	0	55		226,633	0	280,991	
Toronto Comprehensive	Projects	0	0	0		0	0	0	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		93	0	55		226,633	0	280,991	
Other									
Program Enabled Savings	Projects	0	0	419		0	0	591,166	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		0	0	419		0	0	591,166	
Adjustments to 2011 Verified Results		-15				46,163			
Adjustments to 2012 Verified Results			25				317,954		
Adjustments to 2013 Verified Results				837				2,859,833	
Total Adjustments to Previous Years' Verified Results		-15	25	837		46,163	317,954	2,859,833	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

Table 13: Province-Wide Initiatives and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	6,750	2,011	3,151	3,579	45,971,627	13,424,518	18,616,239	20,315,770
Appliance Exchange**	Appliances	719	556	2,101	2,238	873,531	974,621	3,746,106	3,990,372
HVAC Incentives	Equipment	53,209	38,346	40,418	48,467	99,413,430	66,929,213	71,225,037	90,274,814
Conservation Instant Coupon Booklet	Items	1,184	231	464	1,442	19,192,453	1,325,898	6,842,244	19,000,254
Bi-Annual Retailer Event	Items	1,504	1,622	1,142	4,626	26,899,265	29,222,072	16,441,329	70,254,471
Retailer Co-op	Items	0	0	0	0	3,917	0	0	0
Residential Demand Response	Devices	10,390	49,038	93,076	117,513	23,597	359,408	390,303	8,379
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	1	29	587	1,813	4,884	259,826	3,699,786
Consumer Program Total		73,757	91,805	140,380	178,452	192,379,633	112,240,615	117,521,084	207,543,846
Business Program									
Retrofit	Projects	34,201	78,965	82,896	98,849	184,070,265	387,817,248	478,410,896	642,515,421
Direct Install Lighting	Projects	22,155	20,469	19,807	24,794	65,777,197	68,896,046	68,140,249	89,528,509
Building Commissioning	Buildings	0	0	0	988	0	0	0	1,513,377
New Construction	Buildings	247	1,596	2,934	11,911	823,434	3,755,869	9,183,826	37,742,970
Energy Audit	Audits	0	1,450	4,283	9,367	0	7,049,351	23,386,108	46,012,517
Small Commercial Demand Response	Devices	55	187	773	2,116	131	1,068	373	319
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	21,390	19,389	23,706	23,380	633,421	281,823	346,659	0
Business Program Total		78,048	122,056	134,399	171,405	251,304,448	467,801,406	579,468,111	817,313,113
Industrial Program									
Process & System Upgrades	Projects	0	0	313	12,287	0	0	2,799,746	90,463,617
Monitoring & Targeting	Projects	0	0	0	102	0	0	0	502,517
Energy Manager	Projects	0	1,034	3,953	5,767	0	7,067,535	24,438,070	44,929,364
Retrofit	Projects	6,372	0	0	0	38,412,408	0	0	0
Demand Response 3	Facilities	176,180	74,056	162,543	166,082	4,243,958	1,784,712	4,309,160	0
Industrial Program Total		182,552	75,090	166,809	184,238	42,656,366	8,852,247	31,546,976	135,895,498
Home Assistance Program									
Home Assistance Program	Homes	4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Home Assistance Program Total		4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Aboriginal Program									
Home Assistance Program	Homes	0	0	267	549	0	0	1,609,393	3,101,207
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	267	549	0	0	1,609,393	3,101,207
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	40,418	0	0	0	223,956,390	0	0	0
High Performance New Construction	Projects	10,197	6,501	772	268	52,371,183	23,803,888	3,522,240	1,377,475
Toronto Comprehensive	Projects	33,467	0	0	802	174,070,574	0	0	7,085,257
Multifamily Energy Efficiency Rebates	Projects	2,553	0	0	0	9,774,792	0	0	0
LDC Custom Programs	Projects	534	0	0	0	649,140	0	0	0
Pre-2011 Programs completed in 2011 Total		87,169	6,501	772	1,070	460,822,079	23,803,888	3,522,240	8,462,733
Other									
Program Enabled Savings	Projects	0	2,177	3,692	5,500	0	525,011	4,075,382	19,035,337
Time-of-Use Savings	Homes	0	0	0	54,795	0	0	0	0
LDC Pilots	Projects	0	0	0	1,170	0	0	0	5,061,522
Other Total		0	2,177	3,692	60,296	0	525,011	4,075,382	19,035,337
Adjustments to 2011 Verified Results									
			13,266	645	1,601				
Adjustments to 2012 Verified Results									
				8,632	13,449				
Adjustments to 2013 Verified Results									
					34,727				
Energy Efficiency Total									
		213,515	156,735	168,583	289,384	942,317,539	616,320,385	753,683,966	1,210,925,694
Demand Response Total									
		208,015	142,670	280,099	309,091	4,901,107	2,427,011	5,046,495	8,698
Adjustments to Previous Years' Verified Results Total									
		0	13,266	9,277	49,777	0	48,705,294	54,322,474	265,518,125
OPA-Contracted LDC Portfolio Total (inc. Adjustments)									
		421,530	312,671	457,958	648,252	947,218,646	667,452,690	813,052,934	1,476,452,516

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results
 **Net results substituted for gross results due to unavailability of data

Table 14: Adjustments to Province-Wide Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-8,759	1,091	2,157		-16,241,086	1,952,473	3,873,449	
Conservation Instant Coupon Booklet	Items	15	0	1		255,975	0	20,668	
Bi-Annual Retailer Event	Items	117	0	0		2,373,616	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	1	1	115		330,093	2,009	701,488	
Consumer Program Total		-8,628	1,092	2,273		-13,281,402	1,954,483	4,595,605	
Business Program									
Retrofit	Projects	4,511	10,114	16,584		22,046,931	58,528,789	108,677,566	
Direct Install Lighting	Projects	541	217	49		1,346,618	781,858	174,460	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	3,287	2,673	4,151		11,323,593	9,884,305	15,992,924	
Energy Audit	Audits	656	488	3,631		2,391,744	2,386,374	19,822,524	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Business Program Total		8,996	13,491	24,414		37,108,886	71,581,326	144,667,473	
Industrial Program									
Process & System Upgrades	Projects	0	0	426		0	0	1,232,785	
Monitoring & Targeting	Projects	0	0	54		0	528,000	639,348	
Energy Manager	Projects	29	1,071	2,687		0	8,968,007	28,893,596	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		29	1,071	3,168		0	9,496,007	30,765,729	
Home Assistance Program									
Home Assistance Program	Homes	0	222	791		0	1,316,749	4,321,794	
Home Assistance Program Total		0	222	791		0	1,316,749	4,321,794	
Aboriginal Program									
Home Assistance Program	Homes	0	0	134		0	0	563,715	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	134		0	0	563,715	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	266	0	0		1,049,108	0	0	
High Performance New Construction	Projects	13,072	727	405		23,905,663	5,665,066	1,535,048	
Toronto Comprehensive	Projects	0	1,920	529		0	12,924,335	3,783,965	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		13,337	2,647	934		24,954,771	18,589,400	5,319,013	
Other									
Program Enabled Savings	Projects	1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Adjustments to 2011 Verified Results		15,511				50,455,967			
Adjustments to 2012 Verified Results			22,235				114,419,652		
Adjustments to 2013 Verified Results				33,734				200,921,892	
Adjustments to Previous Years' Verified Results Total		15,511	22,235	33,734		50,455,967	114,419,652	200,921,892	

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*Includes adjustments after Final Reports were issued
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

Brantford Power Inc.

EB-2016-0058

Exhibit 4

Attachment 4-K

Filed: May 4, 2016

Attachment 4-K

FILED IN CONFIDENCE

Hay Group Presentation