

EXHIBIT 4
OPERATING COSTS
EB-2016-0056

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1 List of Attachments

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2.4 Exhibit 4 Operating Expenses

2.4.1 Overview

Operations, Maintenance and Administrative (“OM&A”) costs in this application represent Atikokan Hydro’s (“Atikokan”) integrated set of asset maintenance and customer activity needs to meet public and employee safety objectives, to comply with the Distribution System Code (“DSC”), environmental requirements and Government direction, and to maintain distribution business service quality and reliability at targeted performance levels. These costs represent the reasonably incurred cost to provide services to customers connected to LUI’s distribution system, and to meet the service levels stipulated in the Standard Supply Service Code and the Retailer Settlement Codes.

OM&A expenses included in the calculation of a utility’s revenue requirement are those determined to be reasonable in amount and necessary for and related to the provision of utility service or in some way benefit customers. OM&A expenses consist of; the required expenditures necessary to maintain and operate Atikokan’s distribution system assets; the costs associated with metering, billing, collecting from its customers; the costs associated with ensuring all stakeholders safety; and costs to maintain the distribution business service quality and reliability.

Atikokan is proposing recovery of 2017 Test Year OM&A costs, excluding amortization, Property Tax, PILs and interest totaling \$1,097,396.

As shown in Table 4-1 below, Atikokan’s OM&A increased \$67,396 or 6.5% from its 2012 Cost of Service (“COS”) to the 2017 Test Year.

As determined appropriate by the OEB; Atikokan assumed an inflation rate of 1.95% where expense increases were unknown or unpredicted.

The variance used to determine the OM&A accounts requiring analysis has been prescribed by the Filing Requirements as \$50,000 for distributor with a distribution revenue requirement less than or equal to \$10 million.

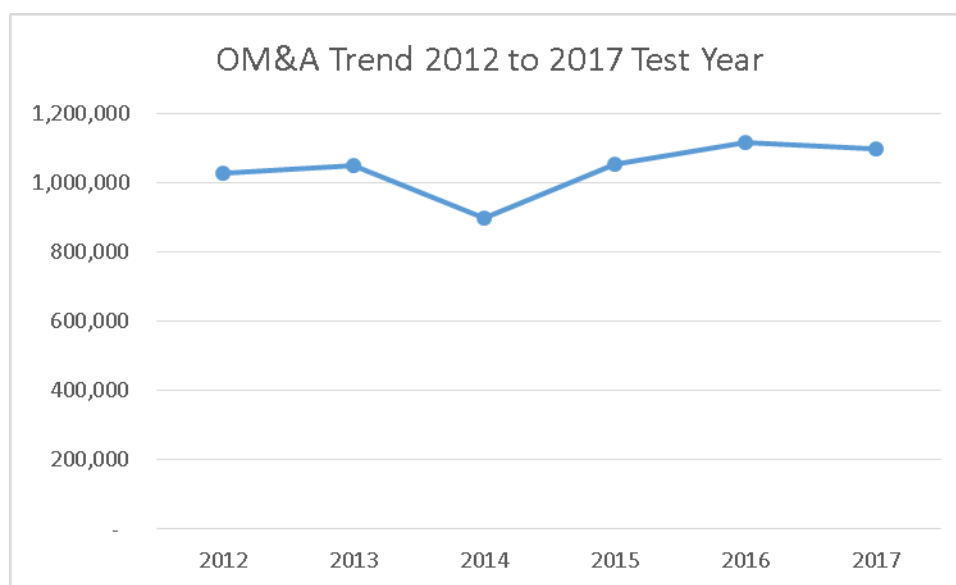
A summary of OM&A expense from 2012 Board Approved, 2012 Actual, 2013 Actual, 2014 Actual, 2015 Actual, 2016 Bridge and the 2017 Test Year is below in Table 4-1.

Table 4-1: Summary of OM&A Expenses – 2012 Board Approved to 2017 Test Year

	Last Rebasing Year (2012 Board- Approved)	Last Rebasing Year (2012 Actuals)	2013 Actuals	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Operations	\$ 345,329	\$ 148,936	\$ 242,278	\$ 256,339	\$ 313,354	\$ 356,607	\$ 376,877
Maintenance	\$ 41,177	\$ 150,317	\$ 170,353	\$ 153,751	\$ 131,756	\$ 119,078	\$ 120,741
Billing and Collecting	\$ 150,191	\$ 162,936	\$ 250,641	\$ 180,534	\$ 186,154	\$ 178,483	\$ 184,336
Community Relations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administrative and General	\$ 493,303	\$ 621,329	\$ 387,923	\$ 309,327	\$ 422,985	\$ 461,045	\$ 415,442
Total	\$ 1,030,000	\$ 1,083,518	\$ 1,051,195	\$ 899,951	\$ 1,054,249	\$ 1,115,213	\$ 1,097,396
%Change (year over year)			-3.0%	-14.4%	17.1%	5.8%	-1.6%

While the above table quantifies the year over year OM&A changes, the below illustrates visually Atikokan's OM&A trend for years 2012 through 2017 Test Year; 2012 being the Board Approved OM&A of \$1,030,000.

Table 4-2: OM&A Trend



In viewing the trend of OM&A in the above table, it should be noted that although 2014 takes a drop down, 2014 was considered an anomaly. Atikokan had both incremental and temporarily foregone costs impacting total OM&A for the year. In cost control measures a vacancy (retirement) occurred at the end of 2012 and was not fulfilled until the end of Quarter 1 of 2014; having 3 full months of salary savings. This was not optimal but was a short term measure to improve financial performance. The vacancy was filled with an apprentice whereby wages and benefits were lower as a result and Atikokan was eligible for wage subsidies for hiring an apprentice. Atikokan's 2017 Test Year OM&A has increased 6.5% since the Board Approved 2012 Rebasing Year. This is contributable to controlling costs but impacted by greater

capitalization. Atikokan's asset management practices as explained in the Distribution System Plan has contributed to greater ability to accurately allocate direct costs to specific assets. Reviewing historical capital expenditures shows Atikokan did not invest in distribution assets at a pace that it should have and now is finding the need to invest aggressively into these distribution assets such as poles driven by inspections and maintenance programs. The 2016 Bridge Year is a little higher than normal year as it includes "one-time" costs that will not be ongoing such as \$50,000 for professional fees and regulatory expenses related to the 2017 COS application. For rate recovery purposes, one fifth of this total cost is included in the 2017 Test Year.

The significant factors driving OM&A increase in Atikokan's costs include employee wages and compensation as per negotiated collective agreements but other fixed charges with inflationary increases, mandated obligations such as Ontario One Call, customer engagement activities such as ESA Public Electrical Safety Awareness Survey to name a few are forever adding more pressure on total OM&A expenditures.

Table 4-3 below provides a summary of the variances by OM&A category from Atikokan's 2012 Last Rebasing Board Approved costs to the 2017 Test Year costs. Cost drivers for the variances are explained following the table.

Table 4-3: 2012 Board Approved vs. 2017

	Last Rebasing Year (2012 Board-Approved)	2017 Test Year	Variance
Operations	345,329	376,877	31,548
Maintenance	41,177	120,741	79,564
Billing and Collecting	150,191	184,336	34,145
Community Relations	-	-	-
Administrative and General	493,303	415,442	(77,861)
Total OM&A Expenses	1,030,000	1,097,396	67,396
%Change (year over year)		6.5%	

The main drivers:

- Increase in wages, salaries and benefits as per the collective agreement; this impacts all OM&A accounts + \$62,989
- Greater capitalization of OM&A +\$52,295

While the following drivers are not material, Atikokan would like to mention these drivers to show Atikokan has reviewed all OM&A expenditures in efforts to recognize and understand trends and explanations for nature of expense. In reviewing, it seems although some costs decrease these are offset by inflationary increases and the overall impact to OM&A as a whole in comparing the 2012 Rebasing year to 2017 Test year has not significantly changed.

- Decrease in Outside Professional Services and Regulatory Expenses mainly attributable to Atikokan completing regulatory requirements with minimal consulting services; this impacts Administrative and General. - \$32,500
- Increase in metering service provider and maintenance of meters; impacts Maintenance and Billing & Collecting accounts + \$24,883
- Increase in Vegetation Control Expenses ; this impacts Maintenance + \$20,000
- Prior to 2017; Atikokan recorded Property Taxes in Administration but for the 2017 Test Year has excluded it from OM&A and using account 6105 Taxes Other than Income Taxes; this creates variance and offsets OM&A by a decrease of \$20,007
- Other immaterial differences less than the Board Approved materiality threshold of \$50,000

Business Environment Changes

Business changes since the last 2012 rebasing year include the introduction of Ontario One Call; Introduction of Metering Inside the Settlement Timeframe (MIST), Measurement Canada sampling requirements now that Atikokan's Smart meters are approaching seal expiry, OCEB and OESP government programs for customers.

2.4.2 Summary and Cost Drivers Table

Atikokan follows the Board's Accounting Procedure Handbook ("APH") in distinguishing work performed between operations and maintenance. A Summary of Atikokan's OM&A expenses (5005-5695,6110,6205) including payments in lieu of taxes and LEAP for the 2012 Board Approved, 2013 Actual, 2014 Actual, 2015 Actual, 2016 Bridge Year and 2017 Test Year is provided in Table 4-4 which is consistent with the OEB Appendix J-A . Atikokan is proposing to

receive the 2017 Test Year Costs through distribution rates effective for May 1 of the 2017 Test Year.

Table 4-4 : OEB Appendix 2-JA: Summary of Recoverable OM&A Expenses

	Last Rebasings Year (2012 Board- Approved)	Last Rebasings Year (2012 Actuals)	2013 Actuals	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Reporting Basis	MIFRS	MIFRS					
Operations	\$ 345,329	\$ 148,936	\$ 242,278	\$ 256,339	\$ 313,354	\$ 356,607	\$ 376,877
Maintenance	\$ 41,177	\$ 150,317	\$ 170,353	\$ 153,751	\$ 131,756	\$ 119,078	\$ 120,741
SubTotal	\$ 386,506	\$ 299,253	\$ 412,631	\$ 410,090	\$ 445,110	\$ 475,685	\$ 497,618
%Change (year over year)			37.9%	37.0%	8.5%	6.9%	4.6%
%Change (Test Year vs Last Rebasings Year - Actual)							66.3%
Billing and Collecting	\$ 150,191	\$ 162,936	\$ 250,641	\$ 180,534	\$ 186,154	\$ 178,483	\$ 184,336
Community Relations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administrative and General	\$ 493,303	\$ 621,329	\$ 387,923	\$ 309,327	\$ 422,985	\$ 461,045	\$ 415,442
SubTotal	\$ 643,494	\$ 784,265	\$ 638,564	\$ 489,861	\$ 609,139	\$ 639,528	\$ 599,778
%Change (year over year)			-18.6%	-23.3%	24.3%	5.0%	-6.2%
%Change (Test Year vs Last Rebasings Year - Actual)							-23.5%
Total	\$ 1,030,000	\$ 1,083,518	\$ 1,051,195	\$ 899,951	\$ 1,054,249	\$ 1,115,213	\$ 1,097,396
%Change (year over year)			-3.0%	-16.9%	17.1%	5.8%	-1.6%

	Last Rebasings Year (2012 Board- Approved)	Last Rebasings Year (2012 Actuals)	2013 Actuals	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Operations	\$ 345,329	\$ 148,936	\$ 242,278	\$ 256,339	\$ 313,354	\$ 356,607	\$ 376,877
Maintenance	\$ 41,177	\$ 150,317	\$ 170,353	\$ 153,751	\$ 131,756	\$ 119,078	\$ 120,741
Billing and Collecting	\$ 150,191	\$ 162,936	\$ 250,641	\$ 180,534	\$ 186,154	\$ 178,483	\$ 184,336
Community Relations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Administrative and General	\$ 493,303	\$ 621,329	\$ 387,923	\$ 309,327	\$ 422,985	\$ 461,045	\$ 415,442
Total	\$ 1,030,000	\$ 1,083,518	\$ 1,051,195	\$ 899,951	\$ 1,054,249	\$ 1,115,213	\$ 1,097,396
%Change (year over year)			-3.0%	-14.4%	17.1%	5.8%	-1.6%

Consistent with the OEB Appendix 2-JB, Table 4-5 below provides a list of the cost drivers that affected year over year OM&A spending. As the table shows, Atikokan does not have many drivers that meet the materiality threshold of \$50,000.

Table 4-5: OEB Appendix 2-JB, OM&A Cost Drivers

OM&A	Last Rebasing Year (2012 Actuals)	2013 Actuals	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Reporting Basis						
Opening Balance	\$ 1,030,000	\$ 1,083,518	\$ 1,051,195	\$ 899,951	\$ 1,054,249	\$ 1,115,213
Wages, Salaries, Progression, Benefits	-\$ 12,158	-\$ 67,973	\$ 48,070	\$ 80,005	\$ 7,197	\$ 7,848
Vacation Accrual		\$ 31,497	-\$ 31,497	\$ 11,801		
Office Expense	-\$ 3,999	-\$ 750	\$ 1,830	-\$ 1,319		
Outside Professional Services	\$ 39,625	-\$ 166,005	-\$ 27,954	\$ 15,180	\$ 11,250	
Insurance	\$ 7,210	-\$ 10,666	\$ 976	\$ 2,282		
Regulatory Expenses	-\$ 20,571	-\$ 17,511	-\$ 2,981	\$ 1,554	\$ 50,000	\$ 10,000
General Advertising Expense	-\$ 699	-\$ 255	\$ 61	\$ 1,410		
Miscellaneous General Expense	\$ 9,183	-\$ 4,842	-\$ 6,245	\$ 13,219		
Travel & Meal Allowance						
Maintenance of General Plant (operating	\$ 121,145	\$ 17,024	-\$ 6,004	\$ 751		
Misc. Distribution Expense				\$ 6,091		
Lineman & Staff Training		-\$ 6,242				
O/H Distribution Supplies & Expenses	-\$ 31,799	\$ 29,089	\$ 12,952	-\$ 11,111		
Line Operations & Maintenance	\$ 884	-\$ 1,264	-\$ 221	\$ 62		
Meter Expense	-\$ 64,532	\$ 3,990	\$ 7,903	-\$ 83		
Maintenance of Dist & Station Equip	\$ 1,387	\$ 9,497	-\$ 1,533	-\$ 3,180		
O/H - Right of Way; vegetation control		-\$ 1,736	\$ 175	\$ 17,719		
Meter Maintenance	\$ 3,767	\$ 21,212	-\$ 5,530	\$ 19,994	-\$ 9,041	\$ 1,543
Maintenance of Line Transformers	-\$ 661	\$ 2,880	-\$ 3,357	-\$ 676		
Bad Debt	-\$ 5,790	\$ 6,432	-\$ 6,321	\$ 471	\$ 1,000	
Meter Reading	-\$ 14,582	\$ 60,121	-\$ 61,208	\$ 9,242		
Property Tax (6105) excluded OM&A					-\$ 19,624	
Capitalization of OM&A		\$ 13,400	-\$ 165,463	\$ 56,606	\$ 44,901	
Other	\$ 25,108	\$ 49,779	\$ 95,105	-\$ 65,720	-\$ 24,718	-\$ 37,208
etc. (Insert additional rows as needed)						
Closing Balance	\$ 1,083,518	\$ 1,051,195	\$ 899,951	\$ 1,054,249	\$ 1,115,213	\$ 1,097,396

In accordance with Filing Requirements OEB Appendix 2-JC has been completed and as such, Table 4-6 below. Similarly for the explanation above for OM&A Cost drivers, in reviewing OM&A on a program basis on a year over year spending basis Atikokan does not have many drivers that meet the materiality threshold of \$50,000.

Table 4-6: OEB Appendix 2-JC OM&A Programs Table

Programs	Last Rebasings Year (2012 Board- Approved)	Last Rebasings Year (2012 Actuals)	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 (2012 Board-Approved))
Reporting Basis									
Operations									
O/H Distribution Lines	235,093	138,804	211,447	244,042	288,604	305,092	324,558	35,954	89,465
Substation Equip/labour	1,292	2,136	15,530	9,216	1,097			-1,097	-1,292
O/H Distribution Supplies	42,915	5,624	9,645	2,376	8,721	41,285	42,089	33,368	-826
O/H Subtransmission	1,476							0	-1,476
Line Op & Maintenance		2,360		706				0	0
Meter Expense	64,554	12				10,230	10,230	10,230	-54,324
Operations Inventory Exp.			5,656					0	0
Misc. Distribution Expense					14,932			-14,932	0
Sub-Total	345,330	148,936	242,278	256,339	313,354	356,607	376,877	63,523	31,547
Maintenance									
Maint of Dist & Station Equip	599	1,986	11,483	9,950	6,770	13,800	13,800	7,030	13,201
Maint O/H Conduct & Devices	5,907	6,775	0			1,000	1,000	1,000	-4,907
Maintenance O/H	191	2,554	0	1,967	1,598			-1,598	-191
O/H ROW - Vegetation Maint.	30,669	65,530	59,742	17,549	36,801	72,000	72,000	35,199	41,331
Maintenance of Transformers	1,814	1,153	4,033	676	0			0	-1,814
Maintenance of Meters	1,996	5,763	23,679	32,650	52,561	32,278	33,941	-18,620	31,945
General Plant (Operating)		29,156	31,211	40,176				0	0
O/H Distribution Supplies		37,401	40,205	50,782	34,026			-34,026	0
Sub-Total	41,176	150,317	170,353	153,751	131,756	119,078	120,741	-11,015	79,565
Billing & Collecting									
Retailer Service Expense	2,727	2,310	2,303	2,310	2,421	3,045	3,045	624	318
Meter Read - Material & Lab Exp	45,939	9,353	65,697	11,988	20,565	8,976	8,976	-11,589	-36,963
Meter Read - MV 90		12,403	20,981	29,013	14,147	17,510	18,389	4,242	18,389
Meter Service Provider Services		9,600	4,800	4,800	4,800	4,800	4,800	0	4,800
Customer Billing	94,081	127,609	138,732	128,103	127,999	138,152	143,126	15,127	49,045
Bad Debt	5,444	-346	6,432	110	582	6,000	6,000	5,418	556
Misc. Customer Accounts	2,000	2,006	11,697	4,210	15,641				
Sub-Total	150,191	162,936	250,641	180,534	186,154	178,483	184,336	-1,818	34,145
Administration									
Admin salaries & expenses	252,470	350,565	221,842	186,959	219,678	206,566	206,254	-13,424	-46,216
Office Expenses	8,153	4,154	3,404	5,234	3,915	4,500	4,500	585	-3,653
Outside Services	62,639	145,111	56,301	28,347	43,526	63,675	57,150	13,624	-5,489
Regulatory Expenses	53,064	24,834	14,982	12,001	13,555	64,978	25,103	11,548	-27,961
Property Insurance	9,116	16,326	17,558	8,282	8,281	8,572	8,572	291	-544
General Advertising Exp.		531	441	337	1,747	1,800	1,800	53	1,800
Misc. General Expense	1,230	25,168	21,047	15,281	26,118	18,085	18,085	-8,033	16,855
Travel/Meal Allowance		2,064	1,267	863	3,245	2,400	2,400	-845	2,400
Operating Expenses	41,271		0		40,927	28,565	28,948	-11,979	-12,323
Employee Pension - Omers	45,229	52,576	51,080	52,025	61,992	61,904	62,630	638	17,401
Electrical Safety Authority Fee	2,082							0	-2,082
Sub-Total	475,254	621,329	387,923	309,327	422,984	461,045	415,442	-7,542	-59,812
Miscellaneous								0	0
Total	1,011,951	1,083,518	1,051,195	899,951	1,054,249	1,115,213	1,097,396	43,147	85,445

Salaries, wages and benefits are the most significant driver of Atikokan's OM&A showing an increase of \$62,989 since the last Rebasing Year. Atikokan's complement of 8 employees in both the 2016 Bridge year and the 2017 Test Year are status quo to the Board Approved complement of 8 for the 2012 rebasing year. OEB Appendix 2-L (Table 4-7) shows the Recoverable OM&A Cost per Customer and per Full Time Employee ("FTE"). OM&A per customer for the 2017 Test Year is \$485.57 which is an 8.28% increase from the \$448.41 OM&A cost per customer. Atikokan's number of customers has dropped by nearing 2% for the predicted 2017 Test Year customer count in comparison to the 2012 Board Approved rebasing year. (See Exhibit 3 for more detail) This decline of customer count, negatively impacts OM&A per customer, driving it up. The same impact stands for OM&A per FTE; \$128,750 for 2012 Rebasing Year and \$137,174.50 for the 2017 Test Year. As noted earlier, Atikokan's total OM&A has increased since the last Rebasing year it is further driving the cost per customer ratio but this is further affected by a loss of customers.

Table 4-7: OEB Appendix 2-L Recoverable OM&A Costs per Customer and per FTE

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

	Last Rebasing Year - 2012- Board Approved	Last Rebasing Year - 2012- Actual	2013 Actuals	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
OM&A Costs							
O&M	\$ 386,506	\$ 299,253	\$ 412,631	\$ 410,090	\$ 445,110	\$ 475,685	\$ 497,618
Admin Expenses	\$ 643,494	\$ 784,265	\$ 638,564	\$ 489,861	\$ 609,139	\$ 639,528	\$ 599,778
Total Recoverable OM&A from Appendix 2-JB ⁵	\$ 1,030,000	\$ 1,083,518	\$ 1,051,195	\$ 899,951	\$ 1,054,249	\$ 1,115,213	\$ 1,097,396
Number of Customers ^{2,4}	2,297	2,300	2,300	2,295	2,283	2,269	2,260
Number of FTEs ^{3,4}	8	8	7	8	9	8	8
Customers/FTEs	287.13	287.50	328.57	286.88	253.67	283.63	282.50
OM&A cost per customer							
O&M per customer	168.2655638	130.11	179.4047826	178.6884532	194.9671485	209.6452182	220.1849558
Admin per customer	280.1454071	340.9847826	277.6365217	213.4470588	266.8151555	281.8545615	265.3884956
Total OM&A per customer	448.4109708	471.0947826	457.0413043	392.135512	461.782304	491.4997796	485.5734513
OM&A cost per FTE							
O&M per FTE	48,313.25	37,406.63	58,947.29	51,261.25	49,456.67	59,460.63	62,202.25
Admin per FTE	80,436.75	98,033.13	91,223.43	61,232.63	67,682.11	79,941.00	74,972.25
Total OM&A per FTE	128,750.00	135,439.75	150,170.71	112,493.88	117,138.78	139,401.63	137,174.50

The following pages provide explanations of OM&A year over year cost drivers for 2012 Board Approved, 2012 Actual, 2013 Actual, 2014 Actual, 2015 Actual, 2016 Bridge and 2017 Test Year. Atikokan will provide analysis for all variances greater than \$50,000; the materiality threshold.

Table 4-8: 2012 Board Approved vs. 2012 Actual

	Last Rebasing Year (2012 Board-Approved)	Last Rebasing Year (2012 Actuals)	Variance from Board Approved
Operations	345,329	148,936	(196,393)
Maintenance	41,177	150,317	109,140
Billing and Collecting	150,191	162,936	12,745
Community Relations	-	-	-
Administrative and General	493,303	621,329	128,026
Total OM&A Expenses	1,030,000	1,083,518	53,518
Percent Change		5.2%	

The total expenses in 2012 are \$53,518 more or 5.19% more than the 2012 Board Approved amount. The reasons are:

- Material variances exist for operations, Maintenance and Billing and Collecting; net impact of these is just above the materiality threshold. Atikokan attributes this mainly to clerical

errors and inconsistencies in recording the Board Approved Trial Balance figures in the correct USoA Account. For example, USoA 5675; Maintenance of General Plant was included in Maintenance (+\$31,211) and USoA 5025 Overhead Distribution Supplies was included in Maintenance on the financial statements. Additionally, Payroll overheads and burdens including employee benefits for all Employees were included in Administration and General driving Administration up and lowering the actual Operations costs. Atikokan also notes USoA 5675; Maintenance of General Plant was included in Maintenance (\$40,205 O/h Distribution Supplies

As a side note, Atikokan would like to comment that it realizes these inconsistencies make determining comparing cost driver and program analysis difficult and do note its record keeping has improved considerably.

Table 4-9: 2012 Actual vs. 2013 Actual

	2012 Actuals	2013 Actuals	Variance
Operations	148,936	242,278	93,342
Maintenance	150,317	170,353	20,036
Billing and Collecting	162,936	250,641	87,705
Community Relations	-	-	-
Administrative and General	621,329	387,923	(233,406)
Total OM&A Expenses	1,083,518	1,051,195	- 32,323
Percent Change		-3.0%	

The total expenses in 2013 are \$32,323 less or 3.0% less than the 2012 Actual expenses. The main reasons are:

- A decrease in wages and benefits. A vacancy occurred due to a retiree December 2012. The position was not refilled immediately. Operating short staffed was a measure taken by local Atikokan Hydro board to control Atikokan's financial position including cash flow and demising probability. This is net of applicable collective agreement increases or incurred overtime for the year. This impacts Operations and Maintenance (-\$67,973).
- Wage and benefit reductions in Operations/Maintenance for 2013 perceivably offset by an allocation of payroll overhead burdens and benefits associated with Operations department employees. For 2012, these expenses were all included in Administration.

- Outside Professional Services and Regulatory Expenses significantly decreased from the prior year 2012 as a result of completion of cost of service application and 2014 IRM being completed with little outside professional services. This impacts Administrative and General. (-\$98,662; \$88,810; \$9,852 respectively.)
- Furthermore, the above decreases resulting from staffing were offset by board approved smart meter entry; EB-2013-0019 moving expenses from variance accounts 1555/1556 to OM&A accounts; specifically billing and collecting. (+\$72,109.09)
- Additionally, Atikokan recorded year end vacation accruals in 2013; this was the first year this accounting entry occurred and impacts Operations and Administrative Accounts. This is worth noting as it is a change in Atikokan's accounting practice. (+\$31,497)
- Other various immaterial differences amongst the OM&A accounts less than the prior year 2012 Actuals

Table 4-10: 2013 Actual vs. 2014 Actual

	2013 Actuals	2014 Actuals	Variance
Operations	242,278	256,339	14,061
Maintenance	170,353	153,751	(16,602)
Billing and Collecting	250,641	180,534	(70,107)
Community Relations	-	-	-
Administrative and General	387,923	309,327	(78,596)
Total OM&A Expenses	1,051,195	899,951	- 151,244
Percent Change		-14.4%	

The total expenses in 2014 are (\$151,244) lower or 14.4% lower than the prior year 2013. This is mainly contributable to:

- Operations increase of \$14,061 and Maintenance decrease of \$16,602; mainly offset one another and are not material in nature; however, it should be noted greater capitalization of labour occurred for 2014 offsetting O&M accounts.
- Billing and collecting (+\$70,107) 2013 OM&A includes \$72,109.09 from EB-2013-0019 Smart Meter expenses. This portrays 2014 to be lower. Billing and collecting further

decreased as a result of a maternity leave; temporary position paid lower earnings as per collective agreement.

- 2013 was the first year Atikokan recorded year end vacation accrual of \$31,497, as a result the reversing January 1 2013 of the accrual offsets the 2014 year end vacation accrual of \$28,254; perceivably 2014 OM&A expenses to be \$28,254 less than the prior year. Mainly impacted Administration accounts.
- Administrative and General aside from the vacation accrual (above) - no single driver greater than the materiality threshold of \$50,000. Various individual immaterial efforts were made to Administration accounts including switching insurance carriers to cut costs by nearly \$10k.

Table 4-11: 2014 Actual vs. 2015 Actual

	2014 Actuals	2015 Actuals	Variance
Operations	256,339	313,354	57,015
Maintenance	153,751	131,756	(21,995)
Billing and Collecting	180,534	186,154	5,620
Community Relations	-	-	-
Administrative and General	309,327	422,985	113,658
Total OM&A Expenses	899,951	1,054,249	154,298
Percent Change		17.1%	

The total expenses in 2015 are 113,658 greater than or 17.1% more than 2014 total expenses.

This is mainly contributable to

- Operations \$57,015 offset by maintenance decline in 21,995; net increase of \$35,020 for additional resources and materials for collecting and compiling data for Atikokan's asset management. Operations increases attributable to collective agreement and hiring a contractor to complete some vegetation control (spraying) in 2015.
- Billing and collecting increased \$5,620 as a result of increased expense of metering service provider and staffing transitions from a return of a maternity leave and wage increases as per the collective agreement.
- Further an increase in Administrative \$113,658 as a result of succession planning, increased pension expense for a buy back of a leave period, greater recognized professional service expense following IFRS. Expenses should be recognized when

incurred. Therefore, as example, BDO audit expense was not setup as an accrual December 2014 and expense only recognized during year audit performed (2015). It should be noted that these items that occurred resulting in a total change of \$113,658 to Administration do not individually meet the materiality threshold of \$50,000.

Table 4-12: 2015 Actual vs 2016 Bridge Year

	2015 Actuals	2016 Bridge Year	Variance
Operations	313,354	356,607	43,253
Maintenance	131,756	119,078	(12,678)
Billing and Collecting	186,154	178,483	(7,671)
Community Relations	-	-	-
Administrative and General	422,985	461,045	38,060
Total OM&A Expenses	1,054,249	1,115,213	60,964
Percent Change		5.8%	

The total expenses in 2016 are 60,964 greater than or 5.8 % more than 2015 total expenses. This is mainly contributable to:

- Operations increase of \$43,253 and Maintenance decrease of \$12,678; net an increase of \$30,575 whereby less than the materiality threshold, the increase is mainly attributable to wages and benefits. No individual material driver exists.
- Billing and Collecting decreased by \$7,671, deemed immaterial
- Administrative and General Expenses increased by \$38,060, whereby this is considered immaterial based on the materiality threshold of \$50,000, the main driver is a result of outside professional services and regulatory costs attributable to the 2017 Cost of Service. A total of \$50,000 is included in the Bridge year for Regulatory Expenses related to the Application. It should also be noted, historically Atikokan has included Property Taxes in Administration but upon preparation of the COS realized this amount should be included in USoA 6105, impacting Administration by a decrease of \$19,624. 2016 Atikokan also became a member of Utility Standards Forum with a yearly membership fee and joining fee; total \$11,250; this would contribute to a year over year variance.

Table 4-13: 2016 Bridge vs 2017 Test Year

	2016 Bridge Year	2017 Test Year	Variance
Operations	356,607	376,877	20,270
Maintenance	119,078	120,741	1,663
Billing and Collecting	178,483	184,336	5,853
Community Relations	-	-	-
Administrative and General	461,045	415,442	(45,603)
Total OM&A Expenses	1,115,213	1,097,396	- 17,817
Percent Change		-1.6%	

The total expenses in 2017 are planned to be 17,817 or 1.6 % less than 2016 total bridge year expenses. This is mainly contributable to:

- Operations and Maintenance are assumed relatively static of the prior year but planned to increase as a result of wages and benefits.
- Billing and Collecting increased by \$5,853; this increase is immaterial
- Administration and General Expenses are planned to decrease from 2016 due to the one time outside professional services and regulatory expenses from preparation of the 2017 Cost of Service Rate Application; offset by wage and benefit increases and other inflationary increases.

2.4.3 Program Delivery Costs with Variance Analysis

OM&A costs and programs in this Exhibit represent Atikokan's integrated set of asset maintenance and customer activity needs to meet public and employee safety objectives; to comply with the Distribution System Code, environmental requirements and government direction; and to maintain distribution business service quality and reliability at targeted performance levels; ensuring the Town of Atikokan is provided with safe, reliable and affordable electricity. OM&A costs also include providing services to customers connected to Atikokan's distribution system and meeting the requirements of the OEB's Standard Supply Service Code and Retail Settlement Code. This also includes costs to contributing and achieving the new Renewed Regulatory Framework performance outcomes of Customer Focus, Operational Effectiveness and Public Policy Responsiveness. While Atikokan strives to meet or exceed all stakeholder requirements, it all comes at a cost and with a declining customer count it puts added

1 pressure on the remaining customers as reflected earlier in this Exhibit in Table 4-7; OM&A Cost
2 per Customer.

3 The operating budget is prepared annually and coordinated by management. Management further
4 presents the OM&A budget to be reviewed and approved by the Board of Directors. Once the
5 Board of Directors approves the annual budget and budget amounts do not change but rather
6 provide a plan against which actual results may be evaluated. The operating budget process at
7 Atikokan Hydro is an integral planning tool and ensures that appropriate resources are available
8 to maintain its distribution system assets. In preparation of the OM&A budget, managing
9 Atikokan's distribution system assets, Atikokan Hydro's Main objective is to optimize performance
10 of assets at a reasonable cost with due regard for system reliability, safety and customer service
11 expectations.

12 In accordance with the Filing Requirements, a variance analysis for changes from the Test year
13 vs 2015 Actuals and the Test Year vs Last Rebasing Year 2012 will be provided using the
14 materiality threshold of \$50,000. Those variances that meet or exceed the threshold have been
15 highlighted in the following Table 4-14.

16

Table 4-14: OEB Appendix 2-JC OM&A Programs Table

Programs	Last Rebas Year (2012 Board- Approved)	Last Rebas Year (2012 Actuals)	2013 Actuals	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year	Variance (Test Year vs. 2015 Actuals)	Variance (Test Year vs. Last Rebas Year (2012 Board-Approved))
Reporting Basis									
Operations									
O/H Distribution Lines	235,093	138,804	211,447	244,042	288,604	305,092	324,558	35,954	89,465
Substation Equip/labour	1,292	2,136	15,530	9,216	1,097			-1,097	-1,292
O/H Distribution Supplies	42,915	5,624	9,645	2,376	8,721	41,285	42,089	33,368	-826
O/H Subtransmission	1,476							0	-1,476
Line Op & Maintenance		2,360		706				0	0
Meter Expense	64,554	12				10,230	10,230	10,230	-54,324
Operations Inventory Exp.			5,656					0	0
Misc. Distribution Expense					14,932			-14,932	0
Sub-Total	345,330	148,936	242,278	256,339	313,354	356,607	376,877	63,523	31,547
Maintenance									
Maint of Dist & Station Equip	599	1,986	11,483	9,950	6,770	13,800	13,800	7,030	13,201
Maint O/H Conduct & Devices	5,907	6,775	0			1,000	1,000	1,000	-4,907
Maintenance O/H	191	2,554	0	1,967	1,598			-1,598	-191
O/H ROW - Vegetation Maint.	30,669	65,530	59,742	17,549	36,801	72,000	72,000	35,199	41,331
Maintenance of Transformers	1,814	1,153	4,033	676	0			0	-1,814
Maintenance of Meters	1,996	5,763	23,679	32,650	52,561	32,278	33,941	-18,620	31,945
General Plant (Operating)		29,156	31,211	40,176				0	0
O/H Distribution Supplies		37,401	40,205	50,782	34,026			-34,026	0
Sub-Total	41,176	150,317	170,353	153,751	131,756	119,078	120,741	-11,015	79,565
Billing & Collecting									
Retailer Service Expense	2,727	2,310	2,303	2,310	2,421	3,045	3,045	624	318
Meter Read - Material & Lab Exp	45,939	9,353	65,697	11,988	20,565	8,976	8,976	-11,589	-36,963
Meter Read - MV 90		12,403	20,981	29,013	14,147	17,510	18,389	4,242	18,389
Meter Service Provider Services		9,600	4,800	4,800	4,800	4,800	4,800	0	4,800
Customer Billing	94,081	127,609	138,732	128,103	127,999	138,152	143,126	15,127	49,045
Bad Debt	5,444	-346	6,432	110	582	6,000	6,000	5,418	556
Misc. Customer Accounts	2,000	2,006	11,697	4,210	15,641				
Sub-Total	150,191	162,936	250,641	180,534	186,154	178,483	184,336	-1,818	34,145
Administration									
Admin salaries & expenses	252,470	350,565	221,842	186,959	219,678	206,566	206,254	-13,424	-46,216
Office Expenses	8,153	4,154	3,404	5,234	3,915	4,500	4,500	585	-3,653
Outside Services	62,639	145,111	56,301	28,347	43,526	63,675	57,150	13,624	-5,489
Regulatory Expenses	53,064	24,834	14,982	12,001	13,555	64,978	25,103	11,548	-27,961
Property Insurance	9,116	16,326	17,558	8,282	8,281	8,572	8,572	291	-544
General Advertising Exp.		531	441	337	1,747	1,800	1,800	53	1,800
Misc. General Expense	1,230	25,168	21,047	15,281	26,118	18,085	18,085	-8,033	16,855
Travel/Meal Allowance		2,064	1,267	863	3,245	2,400	2,400	-845	2,400
Operating Expenses	41,271		0		40,927	28,565	28,948	-11,979	-12,323
Employee Pension - Omers	45,229	52,576	51,080	52,025	61,992	61,904	62,630	638	17,401
Electrical Safety Authority Fee	2,082							0	-2,082
Sub-Total	475,254	621,329	387,923	309,327	422,984	461,045	415,442	-7,542	-59,812
Miscellaneous								0	0
Total	1,011,951	1,083,518	1,051,195	899,951	1,054,249	1,115,213	1,097,396	43,147	85,445

Test Year (2017) vs 2015 Actuals

On an OM&A program basis there are no variances that meet or exceed the materiality threshold of \$50,000, thereby there are none to disclose.

Test Year (2017) vs 2012 Board Approved Last Rebas Year

O/H Distribution Lines has increased by \$89,465 from a Board Approved amount of \$235,093 to test year of \$324,558. Atikokan notes this program basis mainly records employee labour and benefits for outside lines crew less capitalized labour and benefits.

Meter Expense is noted to have decreased by \$54,324 from the Board Approved Amount of \$64,554 to the 2017 Test Year Meter Expense of \$10,230. Atikokan notes this is not so much a decrease in expense but a reallocation. Since the last Rebas Year, Atikokan has revisited the

Board's Accounting Handbook to appropriately record OM&A expenses. At the time of the 2012 Rebasing year many of the Smart Metering costs were considerably new and in the Board Approval process.

Table 4-15 below provides a summary of OM&A overhead charges before capitalization for the historical years, 2012 through 2015 as well as the 2016 Bridge Year and 2017 Test Year. This is consistent with Board Appendix 2-D.

Table 4-15: OEB Appendix 2-D Overhead Expenses

**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	2012 Historical Year	2013 Historical Year	2014 Historical Year	2015 Historical Year	2016 Bridge Year	2017 Test Year
	\$ 1,195,282	\$ 1,149,559	\$ 1,163,778	\$ 1,261,470	\$ 1,277,533	\$ 1,261,455
Total OM&A Before Capitalization (B)	\$ 1,195,282	\$ 1,149,559	\$ 1,163,778	\$ 1,261,470	\$ 1,277,533	\$ 1,261,455

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	2012 Historical Year	2013 Historical Year	2014 Historical Year	2015 Historical Year	2016 Bridge Year	2017 Test Year	Directly Attributable? (Yes/No)	Explanation for Change in Overhead Capitalized
Benefits		\$ 4,030	\$ 8,150	\$ 9,085	\$ 8,580	\$ 8,775	Yes	Started capitalizing benefits with direct labour. Not a material change.
Labour	\$ 52,031	\$ 42,582	\$ 103,079	\$ 83,197	\$ 68,640	\$ 70,184	Yes	No change necessary on transition to MIFRS.
Material	\$ 40,784	\$ 34,899	\$ 85,087	\$ 63,050	\$ 54,500	\$ 54,500	Yes	No change necessary on transition to MIFRS.
Trucks/Equipment	\$ 18,949	\$ 16,853	\$ 67,510	\$ 51,890	\$ 30,600	\$ 30,600	Yes	No change necessary on transition to MIFRS.
Total Capitalized OM&A (A)	\$ 111,764	\$ 98,364	\$ 263,827	\$ 207,221	\$ 162,320	\$ 164,059		
% of Capitalized OM&A (a/A/B)	9%	9%	23%	16%	13%	13%		

Table 4-15, Appendix 2-D Overhead Expense provides a breakdown of OM&A before capitalization and capitalized OM&A. Over the 5 year period from 2012 to 2017, Atikokan has capitalized and expects to capitalize about \$1,007,554 million or 13.8% of its OM&A costs. In the 2017 Test Year, Atikokan anticipates that 13% of OM&A costs will be capitalized, which is consistent with the average.

2.4.3.1 Workforce Planning and Employee Compensation

As to be discussed, Atikokan employs a total staff complement of 8. Where staffing turnover and changes have occurred since the last 2012 Rebasing year, overall the staff complement remains to be the same. No future changes to staffing are planned. As of this point in time, Atikokan is not aware of any specific retiree plans. Its Managements belief, one employee may be eligible to retire in the next 5 years but no indication has been given and for this reason, no specifics can be quantified at this time.

Union

Atikokan's unionized staff is represented by the Canadian Union of Public Employees Local 752. The current collective agreement expires March 31, 2019; formal negotiations will begin prior to. The current agreement, which is effective April 1, 2015 was signed November 25, 2015 includes annual wage increases of 2.25% effective April 1, 2015, 2016, 2017 and 2018.

Executive/Management

Executive and management compensation plan consists of salaries and benefits. Each position within the company has been placed on a pay scale which is reviewed annually by senior management and the Board of Directors'. The review is based on performance and an inflationary adjustment. Changes to senior management compensation, if any, are approved by the Board of Directors. Atikokan does not offer any incentive or bonus compensation.

Benefits

Atikokan offers its employees a comprehensive and competitive benefits package that includes medical insurance, life insurance, vacation and retirement plan. The plans are designed to address the health and wellness needs of the employees; the plans are both the same for management and union employees.

All full time staff participates in the OMERS pension plan which contributes to their retirement benefit with employer matching contributions.

The only Post-Employment Benefit (OPEB) is the death benefit to retirees. Medical coverage is excluded.

Employee Compensation and Benefits

Atikokan has set out employee compensation and benefits information in Table 4xx below in accordance with the filing requirements which outlines that where there are three or fewer employees in any category, the applicant should aggregate this category with the category to which it is most closely related. This higher level of aggregation should be continued, if require, to ensure that no category contains three or fewer employees. In this regard, Atikokan has aggregated the executive and management together in the union category and has aggregated its part time employee into the full-time.

In accordance with the filing requirements, OEB Appendix 2-K for Employee costs has been completed and is included below:

Table 4-16: OEB Appendix 2-K Employee Costs

	Last Rebasing Year - 2012- Board Approved	Last Rebasing Year - 2012- Actual	2013 Actuals	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Number of Employees (FTEs including Part-Time) ¹							
Management (including executive)							
Non-Management (union and non-union)	8	8	7	8	9	8	8
Total	8	8	7	8	9	8	8
Total Salary and Wages including overtime and incentive pay							
Management (including executive)							
Non-Management (union and non-union)	\$ 562,651	\$ 548,936	\$ 488,418	\$ 534,594	\$ 602,852	\$ 606,373	\$ 609,591
Total	\$ 562,651	\$ 548,936	\$ 488,418	\$ 534,594	\$ 602,852	\$ 606,373	\$ 609,591
Total Benefits (Current + Accrued) ²							
Management (including executive)							
Non-Management (union and non-union)	\$ 111,581	\$ 113,138	\$ 105,683	\$ 107,577	\$ 119,324	\$ 123,000	\$ 127,630
Total	\$ 111,581	\$ 113,138	\$ 105,683	\$ 107,577	\$ 119,324	\$ 123,000	\$ 127,630
Total Compensation (Salary, Wages, & Benefits)							
Management (including executive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Management (union and non-union)	\$ 674,232	\$ 662,074	\$ 594,101	\$ 642,171	\$ 722,176	\$ 729,373	\$ 737,221
Total	\$ 674,232	\$ 662,074	\$ 594,101	\$ 642,171	\$ 722,176	\$ 729,373	\$ 737,221

Change in Employee Compensation & Benefits

2012 Actual vs. 2013 Actual

Union:

Change in FTE: - 1.0

Change in Wages: - \$60,518

Management:

Change in FTE:

Change in Wages:

The decrease in 1.0 FTEs in union positions and drop in wages is the result of a retiree that occurred December of 2012. This created a vacancy. For 2013 Atikokan operated short one crew member in efforts to improve financial performance. It should be noted, additional overtime was incurred during 2013 as a result of the staffing changes and wage increases as per the collective agreement; however, 2013 employee costs still had a net wage and benefits savings compared to the prior year.

2013 Actual vs. 2014 Actual

Union:

Change in FTE: + 1.0

Change in Wages: +46,176

Management:

Change in FTE:

Change in Wages:

The increase in 1.0 FTE in union positions was refilling the vacant position that occurred after the 2012 retiree. A powerline technician apprentice was hired April 1 of 2014. 2014 also had union wage increases as per the collective agreement. Also other changes was one employee a taking maternity leave. While it was not material it did create some temporary savings offset by the transition and training period that increased payroll costs temporarily.

2014 Actual vs. 2015 Actual

Union:

Change in FTE: + 1.0

Change in Wages: + 68,258

Management:

Change in FTE:

Change in Wages:

The change in FTE from 2014 to 2015 was not permanent. Atikokan had various staffing changes during 2015. One employee returned from a maternity leave, a contract position was created to aide in asset management collection and succession planning occurred in a change of management due to retirement. For argument, the temporary positions are considered to be one (1) FTE. The increase of \$68,258 in wages for 2015 are a reflection of collection agreement wage increases and additional staff compliment and transitions resulting from a maternity leave, contract position and retiree.

2015 Actual vs. 2016 Bridge

Union:

Change in FTE: - 1.0

Change in Wages: + \$3,521

Management:

Change in FTE:

Change in Wages:

The 2016 test year wages reflect an increase of \$3,521 compared to the prior year 2015. The total wages and compensation for 2016 are considered to remain be status quo to the prior year 2015. 2016 includes additional incurred overtime for preparation of the Cost of Service Rate Application. Other contributing factors include various employee wage changes as a result of collective agreement increases, base wage progressive increases for new full time positions. The change of -1.0 in FTE from 2015 to 2016 reflects the one time staffing count and are not considered to be permanent for future years and was a 2015 solution only (succession and temporary contract position for asset management data collection). It should also be noted that the powerline technician apprentice gave notice the end of 2015; a journeyman powerline

1 technician was hired the beginning of 2016. A change in wages is not anticipated to be noticeable
2 year over year as 2015 had the additional wage expenses that was sustained.

3
4 **2016 Bridge vs. 2017 Test**

5
6 Union:

7 Change in FTE:

8 Change in Wages: +\$3,218

9 Management:

10 Change in FTE:

11 Change in Wages:

12
13 2017 test year employee compensation and benefits is based on keeping the same staff
14 compliment as 2016 (count of 8); and assumes 2.25% increases as per the collective agreement.
15 For the bridge year, job evaluations are in amidst. The outcome of the evaluations are unknown;
16 while management believes this to have an impact on wages it is difficult to predict at this time.
17 However, it can be noted the impacts will be less than the materiality threshold of \$50,000. Best
18 estimate practices have been used for both the 2016 bridge and 2017 test years.

19
20
21 **2.4.3.2 Shared Services and Corporate Cost Allocation**
22

23 Atikokan Hydro and its affiliate Atikokan Enercom share some equipment and office space.
24 Atikokan Enercom hires Atikokan Hydro employees for various contracting and cell phone sales
25 that Atikokan Enercom is involved in.

26 Atikokan Enercom maintains separate financial records from Atikokan Hydro and separate books
27 of account. While the actual data entry for Atikokan Enercom is provided by employees of
28 Atikokan Hydro, confidentiality is maintained because the customers of Atikokan Enercom and
29 the customers of Atikokan Hydro are unrelated and the services required are so different that the
30 communication of any information as between the two affiliates is of no benefit whatsoever to the
31 other. Customer lists of Atikokan Hydro and Atikokan Enercom are not shared and there is no

1 distribution of these list to any other person or group within the Town or any other person or
2 organization. Staff of the Town of Atikokan is not permitted access to the customer list or any
3 other information relating to Atikokan Enercom and Atikokan Hydro.

4 Atikokan Enercom pays Atikokan Hydro for work provided by secretarial and other staff of
5 Atikokan Hydro. The expense for the work provided varies based on the employees' time.
6 Atikokan Enercom is also billed for related services after hours or recoverable contracted jobs.
7 Atikokan Enercom is billed monthly for these services. Atikokan Enercom is also billed its
8 proportionate share of operating costs at a rate of 10% of yearly costs.

9
10 Office Rental

11 Atikokan Hydro rents office space to Atikokan Enercom. Enercom occupies 150 square feet of
12 space in the building owned by Hydro and pays to Hydro the sum of \$134 per month. Rental
13 revenue is recorded in USoA 5675 sub account Operating Expenses.

14
15 Street Light Services

16 Atikokan Hydro employees are contracted by Atikokan Enercom to perform streetlight
17 maintenance for the Town of Atikokan; Atikokan Hydro's shareholder. This service is billed to the
18 town and includes charges or labour based on employee time as well as trucks and material
19 expenses. These costs are summarized in Table 4-17 below. These services are billed monthly
20 if applicable and recorded to USoA 4325, revenues from jobbing. Atikokan Hydro used to bill the
21 town direct for streetlight maintenance. Legislative changes occurred where Atikokan Hydro was
22 no longer able to hold a provisional contractor's licence to maintain street lighting for its
23 shareholder, the Town of Atikokan. Atikokan Enercom now holds the licence and hires Atikokan
24 Hydro employees and equipment for maintenance of streetlights. Atikokan Hydro takes all
25 overhead as income.

26 Atikokan has included its Shared Services Agreement with its affiliate Atikokan Enercom in
27 Attachment A of this Exhibit.

28 OEB Appendix 2-N showing Shared Services and the costing and allocation methodology for
29 historical years 2012 through 2016; 2016 being the bridge year and 2017 Test Year.

Table 4-17 Shared Services 2012

Year: 2012

Shared Services

Atikokan Enercom Inc.		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Labour	Cost Recovery	23,077.63	23,077.63
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Shared Operations	10% of Total cost	3,258.02	32,580.24
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Office space	0.64/sqare foot	1,152.00	-
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Street Light Maintenance	Cost Recovery	13,362.64	13,362.64

Table 4-18 Shared Services 2013

Year: 2013

Shared Services

Atikokan Enercom Inc.		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Labour	Cost Recovery	32,433.16	32,433.16
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Shared Operations	10% of Total cost	4,464.39	44,643.91
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Office space	0.89/sqare foot	1,608.00	
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Street Light Maintenance	Cost Recovery	21,254.61	21,254.61

Table 4-19 Shared Services 2014

Year: 2014

Shared Services

Atikokan Enercom Inc.		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Labour	Cost Recovery	22,832.33	22,832.33
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Shared Operations	10% of Total cost	3,594.56	35,945.59
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Office space	0.89/sqare foot	1,608.00	
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Street Light Maintenance	Cost Recovery	40,587.45	40,587.45

Table 4-20 Shared Services 2015

Year: 2015

Shared Services

Atikokan Enercom Inc.		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Labour	Cost Recovery	17,973.29	17,973.29
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Shared Operations	10% of Total cost	4,516.89	45,168.86
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Office space	0.89/sqare foot	1,608.00	
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Street Light Maintenance	Cost Recovery	17,915.01	17,915.01

Table 4-21 Shared Services 2016 Bridge Year

Year: 2016 Bridge Year

Shared Services

Atikokan Enercom Inc.		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Labour	Cost Recovery	18,422.64	18,422.64
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Shared Operations	10% of Total cost	4,264.00	42,643.00
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Office space	0.89/sqare foot	1,608.00	
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Street Light Maintenance	Cost Recovery	23,279.93	23,279.93

Table 4-22 Shared Services 2017 Test Year

Year: 2017 Test

Shared Services

Atikokan Enercom Inc.		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Labour	Cost Recovery	18,883.21	18,883.21
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Shared Operations	10% of Total cost	4,311.00	43,110.00
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Office space	0.89/sqare foot	1,608.00	
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Street Light Maintenance	Cost Recovery	23,279.93	23,279.93

The variance analyses between Test year verses Last OEB-approved and Test year verses most recent actuals is within the 50,000 threshold. No further discussion. See Table 4-23 & 24.

Table 4- 23 Shared Services Test year vs Last Cost of Service

Shared Services 2017 vs 2012 Actuals						
Atikokan Enercom Inc.		Service Offered	Pricing Methodology	2017	2012	Variance
From	To			Price for the Service	Cost for the Service	
				\$	\$	\$
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Labour	Cost Recovery	18,883.21	23,077.63	- 4,194.42
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Shared Operations	10% of Total cost	4,311.00	3,258.02	1,052.98
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Office space	0.89/sqare foot	1,608.00	1,152.00	456.00
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Street Light Maintenance	Cost Recovery	23,279.93	13,362.64	9,917.29

Table 4 24 Shared Services Test Year to 2015

Shared Services 2017 vs 2015 Actuals						
Atikokan Enercom Inc.		Service Offered	Pricing Methodology	2017	2015	Variance
From	To			Price for the Service	Cost for the Service	
				\$	\$	\$
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Labour	Cost Recovery	18,883.21	17,973.29	909.92
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Shared Operations	10% of Total cost	4,311.00	4,516.89	- 205.89
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Office space	0.89/sqare foot	1,608.00	1,608.00	-
Atikokan Hydro Inc.	Atikokan Enercom Ltd	Street Light Maintenance	Cost Recovery	23,279.93	17,915.01	5,364.92

Atikokan the 'Applicant' confirms there are no Board of Directors-related costs for affiliated that are included in the Applicant's own costs.

2.4.3.3 Purchases of Non-Affiliate Services

Atikokan does not have a formal written procurement policy in place but follows protocol including the use of purchase orders before all purchases whether smaller office items or large material asset purchases. All purchases are within the budget which is approved by the Atikokan Hydro's Board of Directors. Quote request are sent out and compared for dollar and value and delivery of product before vendor approval.

Atikokan's purchases many services and products from third parties. Table 4-25 outlines the expenditures by vendor where the annual amount exceeded \$50,000 per year for the years

2012, 2013, 2014, 2015 and 2016 Bridge year to date respectively. Commitments to suppliers for the 2017 Test Year for material purchases like a Truck have not been made; however, vendors for non-discretionary expenses like Employee benefits, pension plans and Metering Service provider, these will remain the same.

Table 4-25: Non Affiliate Purchases

2012 Non-Affiliate Supplies			
Vendor	Amount \$	Product/Services	Procurement Method
Borden Ladner Gervais LLP	76,833	Consulting Services - COS	Sole Source - preferred
OMERS	52,576	Pension	Sole Source
The Mearie Group	69,698	Employee Insurance Benefits	Sole Source
Thunder Bay Hydro Utilities Services Inc.	105,838	Metering Service Provide/Billing/OPA Support	Northwest Group Sole Source
2013 Non-Affiliate Supplies			
Vendor	Amount \$	Product/Services	Procurement Method
OMERS	51,080	Pension	Sole Source
The Mearie Group	81,428	Employee Insurance Benefits	Sole Source
Thunder Bay Hydro Utilities Services Inc.	104,591	Metering Service Provide/Billing/OPA Support	Northwest Group Sole Source
2014 Non-Affiliate Supplies			
Vendor	Amount \$	Product/Services	Procurement Method
Grid Link	129,526	Capital Repairs - contractor	Quote
OMERS	53,975	Pension	Sole Source
The Mearie Group	55,553	Employee Insurance Benefits	Sole Source
Thunder Bay Hydro Utilities Services Inc.	142,112	Metering Service Provide/Billing/OPA Support	Northwest Group Sole Source
2015 Non-Affiliate Supplies			
Vendor	Amount \$	Product/Services	Procurement Method
OMERS	63,229	Pension	Sole Source
The Mearie Group	78,080	Employee Insurance Benefits	Sole Source
Thunder Bay Hydro Utilities Services Inc.	146,325	Metering Service Provide/Billing/OPA Support	Northwest Group Sole Source
2016 Non-Affiliate Supplies			
Vendor	Amount \$	Product/Services	Procurement Method
Wildon Wiring	126,163	Capital Repairs - contractor	Quote
Thunder Bay Hydro Utilities Services Inc.	77,288	Metering Service Provide/Billing/OPA Support	Northwest Group Sole Source

2.4.3.4 One-time Costs

Atikokan has included one-time costs of \$50,000 in its 2017 Test Year revenue requirement based on a five year recovery until the next cost of service Application. For more details regarding this 3 one-time cost recovery, please see Section 4.8 below. These one-time costs are Regulatory costs are discussed in the regulatory section 2.3.4.5 of this Exhibit.

2.4.3.5 Regulatory Costs

In accordance with Filing Requirements, OEB Appendix 2-M: Regulatory Costs below shows Atikokan's regulatory costs for the 2012 Board Approved, 2015 and for the 2016 Bridge and 2017 Test Year.

The second part of the chart for OEB Appendix 2-M, Table 4-26 below details the breakout of the costs forecasted to prepare the 2017 Rate Application and any written interrogatories. The total cost of \$50,000 is for consultant costs, incremental staff costs and resources and cost awards from intervenors. The costs will be amortized over a 5 year period in the amount of \$10,000 per year.

All regulatory costs listed are tracked in Regulatory Expenses USoA 5655 as per OEB Accounting Procedures Handbook.

In efforts to control expenses, Atikokan proposes the method of written hearing.

Table 4-26 Regulatory Costs Appendix 2-M

Regulatory Cost Category	USoA Account	USoA Account Balance	Ongoing or One-time Cost? ²	Last Rebasin Year (2012 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	\$ 7,761	\$ 8,533	\$ 8,771	2.79%	\$ 9,438	7.60%
2 OEB Section 30 Costs (Applicant-originated)	5655		On-Going						
3 OEB Section 30 Costs (OEB-initiated)	5655		On-Going	\$ 400	\$ 677	\$ 567	-16.23%	\$ 680	19.87%
4 Expert Witness costs for regulatory matters									
5 Legal costs for regulatory matters	5655		One-Time						
6 Consultants' costs for regulatory matters	5655		One-Time	\$ 42,500	\$ -	\$ 30,000		\$ 6,000	-80.00%
7 Operating expenses associated with staff resources allocated to regulatory matters	5655		One-Time		\$ 255	\$ 13,704	5280.09%	\$ 2,400	-82.49%
8 Operating expenses associated with other resources allocated to regulatory matters ¹	5655 or 5080		On-Going	\$ 551	\$ 2,082	\$ 2,074	-0.36%	\$ 2,080	0.28%
9 Other regulatory agency fees or assessments	5655		On-Going	\$ 1,852	\$ 2,009	\$ 1,862	-7.29%	\$ 2,100	12.78%
10 Any other costs for regulatory matters (please define)	5655		One-Time						
11 Intervenor costs	5655		One-Time			\$ 8,000		\$ 1,600	-80.00%
11 Intervenor costs	5655		On-Going					\$ 805	
12 Sub-total - Ongoing Costs ³		\$ -		\$ 10,564	\$ 13,300	\$ 13,274	-0.20%	\$ 15,103	13.78%
13 Sub-total - One-time Costs ⁴		\$ -		\$ 42,500	\$ 255	\$ 51,704	20199.01%	\$ 10,000	-80.66%
14 Total		\$ -		\$ 53,064	\$ 13,555	\$ 64,978	379.36%	\$ 25,103	-61.37%

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			
5 Legal costs			
6 Consultants' costs	42,500	30,000	6,000
7 Incremental operating expenses associated with staff resources allocated to this application.		12,000	2,400
8 Incremental operating expenses associated with other resources allocated to this application. ¹			
11 Intervenor costs		8,000	1,600

2.4.3.6 Low-income Energy Assistance Programs (LEAP)

Atikokan has included \$2,000 of expense for the Low Income Energy Assistance Program (LEAP), in OM&A (USoA 5340), for the 2017 test year. This amount is based on the OEB's determination that the greater of 0.12% of a distributor's distribution revenue requirement or \$2,000 is a reasonable commitment.

Rainy River Distribution Social Services Administration Board is the Intake Agency for Atikokan, who administers, approve or denies the delivery of funds assisting low-income energy consumers.

Atikokan does not participate in programs Legacy Programs such as Winter Warmth; therefore no additional amounts have been included in the test year for recovery in rates other than LEAP.

2.4.3.7 Charitable and Political Donations

Atikokan does not donate to charities; therefore, Atikokan confirms that no charitable donations have been included in OM&A expenses for the 2017 test year other than the LEAP Funding of \$2,000.

Atikokan does not make political donations and as such no amounts have been included in the 2017 test year for recovery.

2.4.4 Depreciation, Amortization and Depletion

Atikokan does not have a formal depreciation/amortization policy. However, best practices are adopted following IFRS guidelines supported by Atikokan's external auditors and OEB guidelines.

Atikokan presented the changes to capital asset useful life in its last cost of service rate application; EB-2011-0293, transitioning to MIFRS. These changes in capitalization and useful lives were board approved and as such are the same practices used. Atikokan's 2015 Audited Financial Statements adopted IFRS financial statement presentation.

Atikokan does not have any asset retirement obligations at this time.

All capital additions assume the half year rule depreciation expense; Atikokan applied this practice to estimating both 2016 Bridge and 2017 Test Year depreciation expenses.

As per Filing Requirements, Atikokan completed and compared its useful life of assets with the Kinectrics Depreciation Study Report OEB Appendix 2-BB. See Table 4-27 and Table 4-28 below with service life comparison.

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Table 4-27: Service Life Comparison Table F-1 from Kinetrics Report

Parent*	#	Asset Details			Useful Life			USoA Account Number	USoA Account Description	Current		Proposed		Outside Range of Min, Max TUL?	
		Category| Component | Type			MIN UL	TUL	MAX UL			Years	Rate	Years	Rate	Below Min TUL	Above Max TUL
OH	1	Fully Dressed Wood Poles	Overall	Wood	35	45	75	1830	Poles, Towers & Fixtures	45	2%	45	2%	No	No
			Cross Arm	Steel	20	40	55	1830	Poles, Towers & Fixtures	45	2%	45	2%	No	No
			Overall		50	60	80								
	2	Fully Dressed Concrete Poles	Overall	Wood	20	40	55								
			Cross Arm	Steel	30	70	95								
			Overall		60	60	80								
	3	Fully Dressed Steel Poles	Overall	Wood	20	40	55								
			Cross Arm	Steel	30	70	95								
	4	OH Line Switch			30	45	55	1830	Poles, Towers & Fixtures	45	2%	45	2%	No	No
	5	OH Line Switch Motor			15	25	25								
	6	OH Line Switch RTU			15	20	20								
TS & MS	7	OH Integral Switches			35	45	60								
	8	OH Conductors			50	60	75								
	9	OH Transformers & Voltage Regulators			30	40	60	1850	Transformers	45	2%	45	2%	No	No
	10	OH Shunt Capacitor Banks			25	30	40								
	11	Reclosers			25	40	55								
	12	Power Transformers	Overall		30	45	60	1820	Distribution Station Equipment	45	2%	45	2%	No	No
			Bushing		10	20	30								
			Tap Changer		20	30	60								
	13	Station Service Transformer			30	45	55								
	14	Station Grounding Transformer			30	40	40								
	15	Station DC System	Overall		10	20	30	1820	Distribution Station Equipment	45	2%	45	2%	No	Yes
UG			Battery Bank		10	15	15								
			Charger		20	20	30								
	16	Station Metal Clad Switchgear	Overall		30	40	60								
			Removable Breaker		25	40	60								
	17	Station Independent Breakers			35	45	65								
	18	Station Switch			30	50	60	1820	Distribution Station Equipment	45	2%	45	2%	No	No
	19	Electromechanical Relays			25	35	50								
	20	Solid State Relays			10	30	45								
	21	Digital & Numeric Relays			15	20	20								
	22	Rigid Busbars			30	55	60								
	23	Steel Structure			35	50	90								
	24	Primary Paper Insulated Lead Covered (PILC) Cables			60	65	75								
	25	Primary Ethylene-Propylene Rubber (EPR) Cables			20	25	25								
	26	Primary Non-Tree Retardant (TR) Cross Linked Polyethylene (XLPE) Cables Direct Buried			20	25	30								
	27	Primary Non-TR XLPE Cables in Duct			20	25	30								
	30	Secondary PILC Cables			70	75	80								
	31	Secondary Cables Direct Buried			25	35	40	1830	Poles, Towers & Fixtures	45	2%	45	2%	No	Yes
	32	Secondary Cables in Duct			35	40	60								
	33	Network Transformers	Overall		20	35	50								
			Protector		20	35	40								
	34	Pad-Mounted Transformers			25	40	45								
	35	Submersible/Vault Transformers			25	35	45								
S	36	UG Foundation			35	55	70								
	37	UG Vaults	Overall		40	60	80								
			Roof		20	30	45								
	38	UG Vault Switches			20	35	50								
	39	Pad-Mounted Switchgear			20	30	45								
	40	Ducts			30	50	85								
	41	Concrete Encased Duct Banks			35	55	80								
	42	Cable Chambers			50	60	80								
	43	Remote SCADA			15	20	30								

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Table 4-28: Service Life Comparison Table F-1 from Kinetrics Report

	Asset Details			Useful Life Range	USoA Account Number	USoA Account Description	Current		Proposed		Outside Range of Min, Max TUL?	
#	Category| Component | Type						Years	Rate	Years	Rate	Below Min Range	Above Max Range
1	Office Equipment			5 15								
2	Vehicles	Trucks & Buckets	5 15	1930	Transportation Equipment (Service Trucks)	10	10%	10	10%	No	No	
		Trucks & Buckets	5 15	1930	Transportation Equipment (Bucket Trucks)	15	7%	15	7%	No	No	
		Trailers	5 20	1930	Transportation Equipment	5	20%	5	20%	No	No	
		Vans	5 10									
3	Administrative Buildings			50 75	1908	Buildings	50	2%	50	2%	No	No
4	Leasehold Improvements			Lease dependent								
5	Station Buildings	Station Buildings	50 75	1820	Distribution Station Equipment	50	2%	50	2%	No	No	
		Parking	25 30									
		Fence	25 60	1820	Distribution Station Equipment	20	5%	40	3%	No	No	
		Roof	20 30									
6	Computer Equipment	Hardware	3 5	1920	Computer Hardware	5	20%	5	20%	No	No	
		Software	2 5	1611	Computer Software	2	50%	2	50%	No	No	
7	Equipment	Power Operated	5 10									
		Stores	5 10									
		Tools, Shop, Garage Equipment	5 10	1940	Tools, Shop, Garage Equipment	10	10%	10	10%	No	No	
		Measurement & Testing Equipment	5 10									
8	Communication	Towers	60 70									
		Wireless	2 10									
9	Residential Energy Meters			25 35								
10	Industrial/Commercial Energy Meters			25 35								
11	Wholesale Energy Meters			15 30	1860	Meters	25	4%	25	4%	No	No
12	Current & Potential Transformer (CT & PT)			35 50	1860							
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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Referring back to Table 4-27, Atikokan is outside of the range for the following:

5 Atikokan amortizes Kinetricks Secondary Cables Direct Buried over a long amortization period of
6 45 years as opposed to 40. Atikokan believes this is an immaterial difference especially
7 considering Atikokan's records only has 2 km of underground. OEB Appendix 2-BB Comparing
8 Kinetricks. Atikokan does not propose to make any changes to its useful life. (Asset number 31
9 in Table 4-27)

10 In accordance with the filing requirements Atikokan completed OEB Appendix 2-CH for years
11 2012, 2013, 2014, 2015, 2016 Bridge and 2017 Test Year. The schedules are as follows:

12 **Table 4-29: OEB Appendix 2-CH Depreciation and Amortization Expense - 2012**

13 Total Depreciation Expense

1 **Table 4-29: OEB Appendix 2-CH Depreciation and Amortization Expense - 2013**

ATIKOKAN HYDRO INC.											
Accounting Standard MIFRS											
Year 2013											
Account	Description	Opening Regulatory Gross PP&E as at Jan. 1 (a)	Less Fully Depreciated (b)	Net for Depreciation (c)	Additions (d)	Total for Depreciation ² (e) = (c) + ½ x (d)	Years (f)	Depreciation Rate (g) = 1 / (f)	Current Year Depreciation Expense (h) = (e) / (f)	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance ³ (m) = (h) - (l)
1611	Computer Software (Formally known as Account 1925)	\$ 193,770	\$ 182,083	\$ 11,687	\$ 3,494	\$ 13,434	2.00	50.00%	\$ 6,717	\$ 12,561	\$ 5,844
1612	Land Rights (Formally known as Account 1906)			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1805	Land			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1808	Buildings			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1810	Leasehold Improvements			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 497,031	\$ 347,898	\$ 149,133	\$ 2,672	\$ 150,469	45.00	2.22%	\$ 3,344	\$ 10,516	\$ 7,172
1825	Storage Battery Equipment			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 2,177,143	\$ 1,254,628	\$ 922,515	\$ 123,522	\$ 984,276	45.00	2.22%	\$ 21,873	\$ 82,304	\$ 60,432
1835	Overhead Conductors & Devices			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1840	Underground Conduit			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1845	Underground Conductors & Devices			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1850	Line Transformers	\$ 495,349	\$ 386,646	\$ 108,702		\$ 108,702	60.00	1.67%	\$ 1,812	\$ 5,696	\$ 3,884
1855	Services (Overhead & Underground)			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1860	Meters	\$ 156,560	\$ 52,391	\$ 104,168		\$ 104,168	25.00	4.00%	\$ 4,167	\$ 6,262	\$ -
1860	Meters (Smart Meters)	\$ 292,619	\$ 42,631	\$ 249,988	\$ 184,469	\$ 342,222	15.00	6.67%	\$ 22,815	\$ 37,779	\$ 14,964
1905	Land	\$ 15,588	\$ -	\$ 15,588		\$ 15,588	-	0.00%	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 683,677	\$ 314,131	\$ 369,546		\$ 369,546	40.00	2.50%	\$ 9,239	\$ 24,493	\$ 15,254
1910	Leasehold Improvements			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 40,034	\$ 40,034	\$ -		\$ -	10.00	10.00%	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (5 years)	\$ 22,685	\$ 11,536	\$ 11,150		\$ 11,150	10.00	10.00%	\$ 1,115	\$ 3,294	\$ 2,179
1920	Computer Equipment - Hardware	\$ -	\$ -	\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ 90	\$ -	\$ -		\$ -	5.00	20.00%	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 52,653	\$ 45,249	\$ 7,404	\$ 10,329	\$ 12,568	5.00	20.00%	\$ 2,514	\$ 4,633	\$ 2,119
1930	Transportation Equipment	\$ 762,757	\$ 488,324	\$ 274,433	\$ 2,054	\$ 275,459	15.00	6.67%	\$ 18,364	\$ 23,027	\$ 4,663
1935	Stores Equipment			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1940	Tools, Shop & Garage Equipment	\$ 93,299	\$ 74,581	\$ 18,718	\$ 7,221	\$ 22,328	10.00	10.00%	\$ 2,233	\$ 3,956	\$ 1,723
1945	Measurement & Testing Equipment			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1950	Power Operated Equipment			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1955	Communications Equipment			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
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			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1985	Miscellaneous Fixed Assets			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1990	Other Tangible Property			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
1995	Contributions & Grants			\$ -		\$ -		0.00%	\$ -	\$ -	\$ -
Total		\$ 5,483,253	\$ 3,240,222	\$ 2,243,031	\$ 333,760	\$ 2,409,911			\$ 94,191	\$ 214,521	\$ 118,235
Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets) (under MIFRS)											
Total Depreciation Expense									\$ 94,191		

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1 **Table 4-29: OEB Appendix 2-CH Depreciation and Amortization Expense - 2014**

ATIKOKAN HYDRO INC.											
Accounting Standard MIFRS											
Year 2014											
Account	Description	Opening Regulatory Gross PP&E as at Jan. 1 (a)	Less Fully Depreciated (b)	Net for Depreciation (c)	Additions (d)	Total for Depreciation ² (e) = (c) + ½ x (d)	Years (f)	Depreciation Rate (g) = 1 / (f)	Current Year Depreciation Expense (h) = (e) / (f)	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance ³ (m) = (h) - (l)
1611	Computer Software (Formally known as Account 1925)	\$ 197,263	\$ 194,644	\$ 2,619	\$ 1,475	\$ 3,357	2.00	50.00%	\$ 1,679	\$ 1,526	\$ 153
1612	Land Rights (Formally known as Account 1906)			\$ -	\$ -	\$ -					\$ -
1805	Land			\$ -	\$ -	\$ -					\$ -
1808	Buildings			\$ -	\$ -	\$ -					\$ -
1810	Leasehold Improvements			\$ -	\$ -	\$ -					\$ -
1815	Transformer Station Equipment >50 kV			\$ -	\$ -	\$ -					\$ -
1820	Distribution Station Equipment <50 kV	\$ 499,703	\$ 358,414	\$ 141,289	\$ 3,082	\$ 142,830	45.00	2.22%	\$ 3,174	\$ 12,298	\$ 9,124
1825	Storage Battery Equipment			\$ -	\$ -	\$ -					\$ -
1830	Poles, Towers & Fixtures	\$ 2,280,711	\$ 1,294,109	\$ 986,603	\$ 414,987	\$ 1,194,096	45.00	2.22%	\$ 26,535	\$ 63,435	\$ 36,899
1835	Overhead Conductors & Devices			\$ -	\$ -	\$ -					\$ -
1840	Underground Conduit			\$ -	\$ -	\$ -					\$ -
1845	Underground Conductors & Devices			\$ -	\$ -	\$ -					\$ -
1850	Line Transformers	\$ 489,546	\$ 381,013	\$ 108,532	\$ 21,175	\$ 119,120	60.00	1.67%	\$ 1,985	\$ 5,378	\$ 3,392
1855	Services (Overhead & Underground)			\$ -	\$ -	\$ -					\$ -
1860	Meters	\$ 156,560	\$ 58,654	\$ 97,906	\$ 10,116	\$ 102,964	25.00	4.00%	\$ 4,119	\$ 7,285	\$ 3,166
1860	Meters (Smart Meters)	\$ 477,088	\$ 80,410	\$ 396,678	\$ -	\$ 396,678	15.00	6.67%	\$ 26,445	\$ 37,104	\$ 10,659
1905	Land	\$ 15,588	\$ -	\$ 15,588	\$ -	\$ 15,588	-				\$ -
1908	Buildings & Fixtures	\$ 683,677	\$ 338,624	\$ 345,053	\$ -	\$ 345,053	40.00	2.50%	\$ 8,626	\$ 36,232	\$ 27,605
1910	Leasehold Improvements			\$ -	\$ -	\$ -					\$ -
1915	Office Furniture & Equipment (10 years)	\$ 40,034	\$ 40,034	\$ -	\$ -	\$ -	10.00	10.00%	\$ -		\$ -
1915	Office Furniture & Equipment (5 years)	\$ 22,685	\$ 14,829	\$ 7,856	\$ -	\$ 7,856	10.00	10.00%	\$ 786	\$ 2,923	\$ 2,137
1920	Computer Equipment - Hardware			\$ -	\$ -	\$ -					\$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ 90	\$ 90	\$ -	\$ -	\$ -	5.00	20.00%	\$ -		\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 62,982	\$ 49,882	\$ 13,099	\$ 1,369	\$ 13,784	5.00	20.00%	\$ 2,757	\$ 3,159	\$ 402
1930	Transportation Equipment	\$ 764,811	\$ 511,352	\$ 253,459	\$ -	\$ 253,459	15.00	6.67%	\$ 16,897	\$ 23,795	\$ 6,898
1935	Stores Equipment			\$ -	\$ -	\$ -					\$ -
1940	Tools, Shop & Garage Equipment	\$ 100,520	\$ 78,537	\$ 21,983	\$ 8,372	\$ 26,169	10.00	10.00%	\$ 2,617	\$ 3,751	\$ 1,135
1945	Measurement & Testing Equipment			\$ -	\$ -	\$ -					\$ -
1950	Power Operated Equipment			\$ -	\$ -	\$ -					\$ -
1955	Communications Equipment			\$ -	\$ -	\$ -					\$ -
1955	Communication Equipment (Smart Meters)			\$ -	\$ -	\$ -					\$ -
1960	Miscellaneous Equipment			\$ -	\$ -	\$ -					\$ -
1970	Load Management Controls - Customer Premises			\$ -	\$ -	\$ -					\$ -
1975	Load Management Controls Utility Premises			\$ -	\$ -	\$ -					\$ -
1980	System Supervisor Equipment			\$ -	\$ -	\$ -					\$ -
1985	Miscellaneous Fixed Assets			\$ -	\$ -	\$ -					\$ -
1990	Other Tangible Property			\$ -	\$ -	\$ -					\$ -
1995	Contributions & Grants			\$ -	\$ -	\$ -		0.00%	\$ -		\$ -
Total		\$ 5,791,257	\$ 3,400,591	\$ 2,390,665	\$ 460,575	\$ 2,620,953			\$ 95,620	\$ 196,885	\$ 101,265
Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets) (under MIFRS)											
Total Depreciation Expense									\$ 95,620		

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1 **Table 4-30: OEB Appendix 2-CH Depreciation and Amortization Expense - 2015**

<div> <div>ATIKOKAN HYDRO INC.</div> <div>Accounting Standard</div> <div>MIFRS</div> <div>Year</div> <div>2015</div> </div>											
Account	Description	Opening Regulatory Gross PP&E as at Jan. 1 (a)	Less Fully Depreciated (b)	Net for Depreciation (c)	Additions (d)	Total for Depreciation ² (e) = (c) + ½ x (d)	Years (f)	Depreciation Rate (g) = 1 / (f)	Current Year Depreciation Expense (h) = (e) / (f)	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance ³ (m) = (h) - (l)
1611	Computer Software (Formally known as Account 1925)	\$ 31,033	\$ 28,463	\$ 2,570	\$ 11,927	\$ 8,533	2.00	50.00%	\$ 4,267	\$ 3,874	\$ 392
1612	Land Rights (Formally known as Account 1906)			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1805	Land			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1808	Buildings			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1810	Leasehold Improvements			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 502,785	\$ 370,712	\$ 132,073	\$ -	\$ 132,073	45.00	2.22%	\$ 2,935	\$ 12,478	\$ 9,543
1825	Storage Battery Equipment			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 2,682,671	\$ 1,347,960	\$ 1,334,711	\$ 194,215	\$ 1,431,819	45.00	2.22%	\$ 31,818	\$ 67,870	\$ 36,051
1835	Overhead Conductors & Devices			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1840	Underground Conduit			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1845	Underground Conductors & Devices			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1850	Line Transformers	\$ 456,006	\$ 333,448	\$ 122,558	\$ 6,895	\$ 126,006	60.00	1.67%	\$ 2,100	\$ 5,595	\$ 3,495
1855	Services (Overhead & Underground)			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1860	Meters	\$ 166,676	\$ 65,939	\$ 100,737	\$ 19,875	\$ 110,675	25.00	4.00%	\$ 4,427	\$ 7,540	\$ 3,113
1860	Meters (Smart Meters)	\$ 476,975	\$ 117,514	\$ 359,461	\$ 2,830	\$ 360,876	15.00	6.67%	\$ 24,058	\$ 36,951	\$ 12,893
1905	Land	\$ 15,588	\$ -	\$ 15,588	\$ -	\$ 15,588	-		\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 683,677		\$ 683,677		\$ 683,677	40.00	2.50%	\$ 17,092	\$ 11,197	\$ 5,895
1910	Leasehold Improvements			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 40,034		\$ 40,034		\$ 40,034	10.00	10.00%	\$ 4,003		\$ 4,003
1915	Office Furniture & Equipment (5 years)	\$ 22,685		\$ 22,685		\$ 22,685	10.00	10.00%	\$ 2,269	\$ 2,912	\$ 643
1920	Computer Equipment - Hardware			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ 90		\$ 90		\$ 90	5.00	20.00%	\$ 18		\$ 18
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 21,000		\$ 21,000	\$ 7,436	\$ 24,718	5.00	20.00%	\$ 4,944	\$ 3,935	\$ 1,009
1930	Transportation Equipment	\$ 764,811		\$ 764,811	\$ 11,314	\$ 770,468	15.00	6.67%	\$ 51,365	\$ 23,705	\$ 27,660
1935	Stores Equipment			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1940	Tools, Shop & Garage Equipment	\$ 108,892		\$ 108,892	\$ 14,177	\$ 115,981	10.00	10.00%	\$ 11,598	\$ 4,787	\$ 6,811
1945	Measurement & Testing Equipment			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1950	Power Operated Equipment			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1955	Communications Equipment			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1955	Communication Equipment (Smart Meters)			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1960	Miscellaneous Equipment			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1970	Load Management Controls - Customer Premises			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1975	Load Management Controls Utility Premises			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1980	System Supervisor Equipment			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1985	Miscellaneous Fixed Assets			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1990	Other Tangible Property			\$ -	\$ -	\$ -			\$ -	\$ -	\$ -
1995	Contributions & Grants		\$ 20,123	\$ 20,123		\$ 20,123	45.00		\$ 447	\$ 457	\$ 904
Total		\$ 5,972,923	\$ 2,243,913	\$ 3,729,010	\$ 268,668	\$ 3,863,344			\$ 161,340	\$ 180,387	\$ 19,047
Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets) (under MIFRS)											
Total Depreciation Expense									\$ 161,340		

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1 **Table 4-31: OEB Appendix 2-CH Depreciation and Amortization Expense - 2016**

ATIKOKAN HYDRO INC.											
Accounting Standard MIFRS											
Year 2016											
Account	Description	Opening Regulatory Gross PP&E as at Jan. 1 (a)	Less Fully Depreciated (b)	Net for Depreciation (c)	Additions (d)	Total for Depreciation ² (e) = (c) + ½ x (d)	Years (f)	Depreciation Rate (g) = 1 / (f)	Current Year Depreciation Expense (h) = (e) / (f)	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance ³ (m) = (h) - (l)
1611	Computer Software (Formally known as Account 1925)	\$ 42,959	\$ 32,337	\$ 10,622		\$ 10,622	2.00	50.00%	\$ 5,311	\$ 6,848	\$ 1,537
1612	Land Rights (Formally known as Account 1906)			\$ -		\$ -			\$ -		\$ -
1805	Land			\$ -		\$ -			\$ -		\$ -
1808	Buildings			\$ -		\$ -			\$ -		\$ -
1810	Leasehold Improvements			\$ -		\$ -			\$ -		\$ -
1815	Transformer Station Equipment >50 kV			\$ -		\$ -			\$ -		\$ -
1820	Distribution Station Equipment <50 kV	\$ 502,785	\$ 383,190	\$ 119,595	\$ 21,200	\$ 130,195	45.00	2.22%	\$ 2,893	\$ 12,716	\$ 9,823
1825	Storage Battery Equipment			\$ -		\$ -			\$ -		\$ -
1830	Poles, Towers & Fixtures	\$ 2,844,264	\$ 1,391,668	\$ 1,452,596	\$ 279,495	\$ 1,592,343	45.00	2.22%	\$ 35,385	\$ 72,920	\$ 37,535
1835	Overhead Conductors & Devices			\$ -		\$ -			\$ -		\$ -
1840	Underground Conduit			\$ -		\$ -			\$ -		\$ -
1845	Underground Conductors & Devices			\$ -		\$ -			\$ -		\$ -
1850	Line Transformers	\$ 460,475	\$ 336,664	\$ 123,811		\$ 123,811	60.00	1.67%	\$ 2,064	\$ 5,688	\$ 3,624
1855	Services (Overhead & Underground)			\$ -		\$ -			\$ -		\$ -
1860	Meters	\$ 177,518	\$ 71,672	\$ 105,847		\$ 105,847	25.00	4.00%	\$ 4,234	\$ 6,894	\$ 2,660
1860	Meters (Smart Meters)	\$ 476,884	\$ 153,660	\$ 323,224		\$ 323,224	15.00	6.67%	\$ 21,548	\$ 36,951	\$ 15,403
1905	Land	\$ 15,588	\$ -	\$ 15,588		\$ 15,588	-	0.00%	\$ -		\$ -
1908	Buildings & Fixtures	\$ 683,677	\$ 386,053	\$ 297,624		\$ 297,624	40.00	2.50%	\$ 7,441	\$ 11,197	\$ 3,756
1910	Leasehold Improvements			\$ -		\$ -			\$ -		\$ -
1915	Office Furniture & Equipment (10 years)	\$ 40,034	\$ 38,021	\$ 2,013		\$ 2,013	10.00	10.00%	\$ 201		\$ 201
1915	Office Furniture & Equipment (5 years)	\$ 22,685	\$ 18,599	\$ 4,086		\$ 4,086	10.00	10.00%	\$ 409	\$ 2,269	\$ 1,860
1920	Computer Equipment - Hardware			\$ -	\$ 1,905	\$ 953			\$ -		\$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ 90	\$ 90	\$ -		\$ -	5.00	20.00%	\$ -		\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 28,436	\$ 14,083	\$ 14,353		\$ 14,353	5.00	20.00%	\$ 2,871	\$ 4,974	\$ 7,845
1930	Transportation Equipment	\$ 754,182	\$ 536,909	\$ 217,273		\$ 217,273	15.00	6.67%	\$ 14,485	\$ 24,365	\$ 9,880
1935	Stores Equipment			\$ -		\$ -			\$ -		\$ -
1940	Tools, Shop & Garage Equipment	\$ 123,069	\$ 87,076	\$ 35,993	\$ 4,000	\$ 37,993	10.00	10.00%	\$ 3,799	\$ 5,815	\$ 2,016
1945	Measurement & Testing Equipment			\$ -		\$ -			\$ -		\$ -
1950	Power Operated Equipment			\$ -		\$ -			\$ -		\$ -
1955	Communications Equipment			\$ -		\$ -			\$ -		\$ -
1955	Communication Equipment (Smart Meters)			\$ -		\$ -			\$ -		\$ -
1960	Miscellaneous Equipment			\$ -		\$ -			\$ -		\$ -
1970	Load Management Controls - Customer Premises			\$ -		\$ -			\$ -		\$ -
1975	Load Management Controls Utility Premises			\$ -		\$ -			\$ -		\$ -
1980	System Supervisor Equipment			\$ -		\$ -			\$ -		\$ -
1985	Miscellaneous Fixed Assets			\$ -		\$ -			\$ -		\$ -
1990	Other Tangible Property			\$ -		\$ -			\$ -		\$ -
1995	Contributions & Grants	\$ 20,123	\$ 457	\$ 19,666		\$ 19,666	45.00		\$ 437	\$ 457	\$ 20
Total		\$ 6,152,522	\$ 3,449,565	\$ 2,702,957	\$ 306,600	\$ 2,856,257			\$ 100,203	\$ 180,232	\$ 80,029
Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets) (under MIFRS)											
Total Depreciation Expense									\$ 100,203		

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Table 4-32: OEB Appendix 2-CH Depreciation and Amortization Expense - 2017

<div> <div>ATIKOKAN HYDRO INC.</div> <div>Accounting Standard</div> <div>Year</div> <div>2017</div> <div>MIFRS</div> </div>											
Account	Description	Opening Regulatory Gross PP&E as at Jan. 1 (a)	Less Fully Depreciated (b)	Net for Depreciation (c)	Additions (d)	Total for Depreciation ² (e) = (c) + ½ x (d)	Years (f)	Depreciation Rate (g) = 1 / (f)	Current Year Depreciation Expense (h) = (e) / (f)	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J	Variance ³ (m) = (h) - (l)
1611	Computer Software (Formally known as Account 1925)	\$ 42,959	\$ 39,186	\$ 3,773		\$ 3,773	2.00	50.00%	\$ 1,887	\$ 3,439	\$ 1,553
1612	Land Rights (Formally known as Account 1906)			\$ -		\$ -			\$ -		\$ -
1805	Land			\$ -		\$ -			\$ -		\$ -
1808	Buildings			\$ -		\$ -			\$ -		\$ -
1810	Leasehold Improvements			\$ -		\$ -			\$ -		\$ -
1815	Transformer Station Equipment >50 kV			\$ -		\$ -			\$ -		\$ -
1820	Distribution Station Equipment <50 kV	\$ 523,985	\$ 395,906	\$ 128,079	\$ 21,200	\$ 138,679	45.00	2.22%	\$ 3,082	\$ 12,716	\$ 9,634
1825	Storage Battery Equipment			\$ -		\$ -			\$ -		\$ -
1830	Poles, Towers & Fixtures	\$ 3,113,750	\$ 1,456,587	\$ 1,657,163	\$ 232,540	\$ 1,773,433	45.00	2.22%	\$ 39,410	\$ 72,920	\$ 33,510
1835	Overhead Conductors & Devices			\$ -		\$ -			\$ -		\$ -
1840	Underground Conduit			\$ -		\$ -			\$ -		\$ -
1845	Underground Conductors & Devices			\$ -		\$ -			\$ -		\$ -
1850	Line Transformers	\$ 460,475	\$ 342,352	\$ 118,123	\$ 8,000	\$ 122,123	60.00	1.67%	\$ 2,035	\$ 5,888	\$ 3,853
1855	Services (Overhead & Underground)			\$ -		\$ -			\$ -		\$ -
1860	Meters	\$ 170,049	\$ 78,566	\$ 91,483		\$ 91,483	25.00	4.00%	\$ 3,659	\$ 5,994	\$ 2,335
1860	Meters (Smart Meters)	\$ 476,884	\$ 187,971	\$ 288,913	\$ 10,000	\$ 293,913	15.00	6.67%	\$ 19,594	\$ 37,561	\$ 17,967
1905	Land	\$ 15,588		\$ 15,588	\$ -	\$ 15,588	-		\$ -		\$ -
1908	Buildings & Fixtures	\$ 683,677	\$ 397,250	\$ 286,427		\$ 286,427	40.00	2.50%	\$ 7,161	\$ 11,197	\$ 4,036
1910	Leasehold Improvements			\$ -		\$ -			\$ -		\$ -
1915	Office Furniture & Equipment (10 years)	\$ 40,034	\$ 35,956	\$ 4,078		\$ 4,078	10.00	10.00%	\$ 408		\$ 408
1915	Office Furniture & Equipment (5 years)	\$ 22,685	\$ 22,933	\$ 248		\$ 248	10.00	10.00%	\$ 25	\$ 1,969	\$ 1,994
1920	Computer Equipment - Hardware	\$ 1,905		\$ 1,905		\$ 1,905			\$ -		\$ -
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ 90	\$ 90	\$ -		\$ -	5.00	20.00%	\$ -		\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 28,436	\$ 9,109	\$ 19,327		\$ 19,327	5.00	20.00%	\$ 3,865	\$ 4,773	\$ 908
1930	Transportation Equipment	\$ 754,182	\$ 561,274	\$ 192,908	\$ 360,000	\$ 372,908	15.00	6.67%	\$ 24,861	\$ 35,198	\$ 10,337
1935	Stores Equipment			\$ -		\$ -			\$ -		\$ -
1940	Tools, Shop & Garage Equipment	\$ 127,069	\$ 92,891	\$ 34,178	\$ 4,000	\$ 36,178	10.00	10.00%	\$ 3,618	\$ 5,815	\$ 2,197
1945	Measurement & Testing Equipment			\$ -		\$ -			\$ -		\$ -
1950	Power Operated Equipment			\$ -		\$ -			\$ -		\$ -
1955	Communications Equipment			\$ -		\$ -			\$ -		\$ -
1955	Communication Equipment (Smart Meters)			\$ -		\$ -			\$ -		\$ -
1960	Miscellaneous Equipment			\$ -		\$ -			\$ -		\$ -
1970	Load Management Controls - Customer Premises			\$ -		\$ -			\$ -		\$ -
1975	Load Management Controls Utility Premises			\$ -		\$ -			\$ -		\$ -
1980	System Supervisor Equipment			\$ -		\$ -			\$ -		\$ -
1985	Miscellaneous Fixed Assets			\$ -		\$ -			\$ -		\$ -
1990	Other Tangible Property			\$ -		\$ -			\$ -		\$ -
1995	Contributions & Grants	\$ 20,123	\$ 914	\$ 19,209	\$ -	\$ 19,209	45.00	2.22%	\$ 427	\$ 457	\$ 30
	Total	\$ 6,441,645	\$ 3,619,157	\$ 2,822,488	\$ 635,740	\$ 3,140,358			\$ 109,127	\$ 197,013	\$ 87,886
Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets) (under MIFRS)											
Total Depreciation Expense									\$ 109,127		

In completing the above schedules for OEB Appendix 2-CH, Atikokan did not complete Appendix 2-CA, 2-CB, 2-CC, 2-CD, 2-CE, 2-CF or 2-CG. Atikokan changed its capitalization and depreciation policies and reflected these changes in its prior 2012 rebasing year; EB-2011-0293. The depreciation expense variances in the OEB Appendix 2-CH schedules are below the materiality threshold on an individual asset account basis. Atikokan believes some of the differences will be attributable to disposals, smart meter amortization adjustments etc but again these are below the threshold of \$50,000.

2.4.5 Taxes or Payments in Lieu of Taxes (PILS) and Property Taxes

Atikokan makes payments in lieu of income taxes ("taxes") based on its taxable income. Atikokan files returns annually. There are no outstanding audits, reassessments or disputes in regards to tax returns filed by Atikokan.

The entire amount of PILS payable is included in the revenue requirement as Atikokan does not have any on-utility activities.

For the inclusion of the 2017 PILs amount for rates, Atikokan completed the OEB Tax work form. PILs have been calculated under the MIFRS accounting policies.

The calculated 2017 Test year PILs amount is \$10,399.

The following table summarizes Atikokan's grossed up taxes for \$12,234

Atikokan's latest historical tax return (2015) is included in this Exhibit; see Attachment B.

Atikokan does not have any loss carry forwards.

Atikokan's completed Board PILS workform is listed in Attachment D.

The following table support the calculation of the 2017 Test Year Net Income.

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Table 4-33 Taxable Income Test Year 2017

Taxable Income - Test Year 2017

	Working Paper Reference	Test Year Taxable Income
Net Income Before Taxes	<u>A.</u>	125,726

	T2 S1 line #		
Additions:			
Interest and penalties on taxes	103		
Amortization of tangible assets 2-4 ADJUSTED ACCOUNTING DATA P489	104		197,470
Loss on disposal of assets	111		7,000
Non-deductible meals and entertainment expense	121		1,200
Total Additions			205,670
Deductions:			
Capital cost allowance from Schedule 8	403	<u>T8</u>	261,065
Cumulative eligible capital deduction from Schedule 10 CEC	405	<u>T10</u>	549
Tax reserves end of year	413	<u>T13</u>	0
Reserves from financial statements - balance at beginning of year	414	<u>T13</u>	0
Revenue previously taxed			457
Total Deductions		calculated	262,071
NET INCOME FOR TAX PURPOSES		calculated	69,326
REGULATORY TAXABLE INCOME		calculated	69,326

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3 The tax provision for PILS is as follows:

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Table 4-34 PILs – Test Year

PILs Tax Provision - Test Year

					Wires Only	
Regulatory Taxable Income					<u>11</u>	\$ 69,326
	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate		
Ontario (Max 11.5%)	11.5%	4.5%	\$ 3,120	4.5%	B	
Federal (Max 15%)	15.0%	10.5%	\$ 7,279	10.5%	C	
Combined effective tax rate (Max 26.5%)						15.00%
Total Income Taxes						\$ 10,399
Investment Tax Credits						
Miscellaneous Tax Credits						
Total Tax Credits						\$ -
Corporate PILs/Income Tax Provision for Test Year						\$ 10,399
Corporate PILs/Income Tax Provision Gross Up ¹					85.00% J = 1-D	\$ 1,835
Income Tax (grossed-up)						\$ 12,234

Property Taxes

Atikokan has forecasted the 2016 Bridge year property taxes using actual property tax billings for the year \$19,624.29. Note that while the entire amount is not yet due, Atikokan has received the final quarter installment notice and for this reason can accurately state the total property tax payable for 2016. The 2017 Test year property tax has been forecasted at \$20,007 using the OEB approved inflation rate of 1.95% since the actual increases are not known this time.

Atikokan has recorded Property Tax in account 6105 for the 2017 Test Year as defined in the APH.

2.4.5.1 Non-recoverable and Disallowed Expenses

Atikokan has no non-recoverable disallowed expenses recorded.

2.4.5.2 Integrity Checks

As per Filing Requirements, Atikokan has used its best efforts to complete the Exhibits in its entirety confirms the following:

- The depreciation and amortization added back in the application's PILs model agree with the numbers disclosed in the rate base section of the application
- The capital additions and deductions in the UCC/CCA Schedule 8 agree with the rate base section for historical, bridge and test years
- Schedule 8 of the most recent federal T2 tax return filed with the application has a closing December 31 historical year UCC that agrees with the opening (January 1) bridge year UCC.
- The CCA deductions in the application's PILS tax model for historical, bridge and test years agree with the numbers in the UCC schedules for the same years filed in the application;
- Atikokan does not have any Loss carry-forwards;
- CCA has been maximized;
- Atikokan did not have Accounting OPEB and pension amounts to be added back to Schedule 1 to reconcile accounting income to net income for tax purposes;
- The income tax rate used to calculate the tax expense must be consistent with the utility's actual tax facts and evidence filed in the application.

2.4.6 Conservation and Demand Management

In collaborate partnership with the Northwest Group (Atikokan Hydro Inc, Fort Frances Power Corp, Kenora Hydro, Sioux Lookout Hydro and Thunder Bay Hydro Electricity Distribution Inc.), Atikokan delivers CDM programs in accordance with the CDM Code. In the 2010-2014 CDM portfolio and the present 2015-2020 CDM portfolio; the emphasis is on IESO residential and general service customers.

Atikokan will not be applying for recovery of CDM programs through distribution rates as known CDM activity is funded through IESO-contracted Province-Wide CDM Programs or through OEB-approved CDM programs.

Atikokan tracks these funds in non-distribution revenue accounts as per guidance in Chapter 5, Accounting Treatment of the CDM code.

The IESO confirmed final verified results from 2011-2014 can be found in this Exhibit under Attachment C Atikokan Hydro 2011-2014 Final IESO CDM Results.

2.4.6.1 Lost Revenue Adjustment Mechanism

For CDM programs delivered within 2011-2014, the Board established Account 1568 as LRAM variance Account (LRAMVA) to capture the variance between the Board approved CDM forecast and the actual results at the customer rate class level. In accordance with Filing Requirements, Atikokan completed LRAMVA Work Form. The live excel has been filed with the Board. The Summary of Atikokan's lost revenue per rate class is as follows in the below table. This will be discussed in greater detail in section 2.4.6.2

Table 4-35: LRAMVA Work Form Summary Table

Description	Residential	General Service <50 kW	General Service 50 - 4,999 kW	Street Lighting	Total
2011 Forecast	(\$174.11)	(\$74.81)	\$0.00	\$0.00	(\$248.91)
2011 Actuals	\$197.91	\$152.43	\$14.06	\$0.00	\$364.40
Amount Cleared	\$0.00	\$0.00	\$0.00	\$0.00	
2012 Forecast	(\$410.70)	(\$166.63)	\$0.00	\$0.00	(\$577.33)
2012 Actuals	\$329.01	\$755.43	\$18.51	\$0.00	\$1,102.94
Amount Cleared	\$0.00	\$0.00	\$0.00	\$0.00	
2013 Forecast	(\$228.92)	(\$84.67)	\$0.00	\$0.00	(\$313.59)
2013 Actuals	\$457.74	\$1,079.23	\$26.99	\$0.00	\$1,563.95
Amount Cleared	\$0.00	\$0.00	\$0.00	\$0.00	
2014 Forecast	(\$433.04)	(\$164.29)	\$0.00	\$0.00	(\$597.32)
2014 Actuals	\$1,098.32	\$1,303.08	\$21.50	\$0.00	\$2,422.90
Amount Cleared	\$0.00	\$0.00	\$0.00	\$0.00	
2015 Forecast	(\$212.99)	(\$81.70)	\$0.00	\$0.00	(\$294.69)
2015 Actuals	\$1,762.01	\$1,850.77	\$0.00	\$0.00	\$3,612.78
Amount Cleared	\$0.00	\$0.00	\$0.00	\$0.00	
Carrying Charges	\$25.55	\$96.66	\$3.07	\$0.00	\$125.28
Total LRAMVA Balance	\$2,410.78	\$4,665.50	\$84.13	\$0.00	\$7,160.40

2.4.6.2 LRAM Variance Account (LRAMVA)

On March 31, 2010, the Minister of Energy and Infrastructure issued a directive (the "Directive") to the Board regarding electricity CDM targets to be met by licensed electricity distributors. The Directive required that the Board amend the licenses of distributors to add, as a condition of license, the requirement for distributors to achieve reductions in electricity

1 demand through the delivery of CDM programs over a four year period beginning January 1,
2 2011. Section of the Directive required that the Board have regard to the objective that lost
3 revenues that resulted from CDM Programs should not act as a disincentive to a distributor.
4 On April 26, 2012, the Board issued Guidelines for Electricity Distributor Conservation and
5 Demand Management ("CDM Guidelines"). In keeping with the Directive, the Board adopted
6 a mechanism to capture the difference between the results of actual, verified impacts of
7 authorized CDM activities undertaken by distributors between 2011 and 2014 and the level
8 of activities embedded into rates through the distributors load forecast in an LRAM variance
9 account 1568.

10 Programs Initiatives with results for each class:

- 11 • Residential: Appliance Retirement, Appliance Exchange, HVAC Incentives, and
12 Conservation Instant Coupon Booklets
- 13 • General Service: Retrofit, Direct Install Lighting, Building Commissioning, New
14 Construction Energy Audit.
- 15 • General Service >50 – 4,999 kW High Performance New Construction.

16
17 LRAMVA 1568 did balance at time of reporting Trial Balance RRR.2.1.7. The variance occurred
18 upon completing the generic LRAMVA work form. Balances in 2017_DVA are input from the
19 generic LRAMVA workform as calculated. The associated rate riders are calculated in the DVA
20 continuity schedule.

21 Atikokan did not keep current information for LRAM variances. Upon completing the LRAMVA
22 work form Atikokan is requesting permission to update the LRAMVA Account 1568 to reflect the
23 correct dollars and carrying charges, and include these dollars in our Disposal request.

24 Interest charges have been calculated in the Deferral and Variance model and LRAM workform
25 model. Atikokan has not deviated from this interest calculation.

26 Atikokan is seeking \$7,264 disposal of principal and interest which includes the updated dollars
27 from the LRAMVA workform CDM activities between 2011-2014. Disposition is requested
28 through a customer specific volumetric rate rider over one year; See Exhibit 9 for more details.

1. Hydro is a utility with the resources necessary to perform as required by the Ontario Energy Board;
2. Enercom is a cellular phone dealer for TBaytel and does contract work for TBaytel and line maintenance of hydro lines in Northwestern Ontario;

3. In order to achieve financial viability, Enercom rents space and shares certain staff with Hydro. In particular:
 - Enercom occupies 150 square feet of space in the building Owned by Hydro and pays to Hydro the sum of \$134.00 per month plus its proportionate share of operating costs; at a rate of 10% of yearly cost.
 - Equipment: Enercom rents equipment from Hydro on an as need basis.
 - Employees: Enercom pays Hydro for the work provided by part-time secretarial and other staff of Hydro. The complete charges are dependent on wages of the part-time employee (CSR) plus applicable EI and CPP expenses. Enercom may also be billed for related services after hours.
 - Inventory: Enercom maintains its own separate inventory of supplies required to carry out its task;
 - Bookkeeping: Enercom maintains separate financial records from Hydro and separate books of account. While the actual data entry for Enercom bookkeeping is provided by employees of Hydro, confidentiality is maintained because the customers of Enercom and the customers of Hydro are unrelated and the services required are so different that the communication of any information as between the two affiliates is of no benefit whatsoever to the other. Customer lists of Hydro and Enercom are not shared and there is no distribution of these lists to any other person or group within the Town or any other person or organization. Staff of the Town of Atikokan is not permitted access to the customer list or any other information relating to Enercom and Hydro.
 - Pricing: the cost of any resource, product, or service provided to Enercom by Hydro or by Hydro to Enercom is at fair market value for the service, resource, or product available elsewhere.
4. Enercom maintains appropriate computer data management and data access protocols protecting all confidential information from Hydro access.
5. In the event that there is any breach of any access protocol or any disagreement arising over the terms or implementation of this agreement, the parties agree to submit such issue to arbitration pursuant to the Arbitrations Act of Ontario and the determination under such arbitration shall be binding upon the parties. In the determination of any arbitration issues, the terms of the Affiliate Relationships Code in the *Ontario Energy Board Act*, its rules and regulations shall form the basis of any such arbitration.

IN WITNESS WHEREOF the parties have hereunto affixed their corporate seals.

ATIKOKAN HYDRO INC.

Per: *Dennis Brown*

Name/Title: *Dennis Brown*

Per: *M. Lambkin*

Name/Title: *M. LAMBKIN*

I/We have authority to bind the Corporation.

ATIKOKAN ENERCOM INC.

Per: *H. Roehrig*

Name/Title: *Herb Roehrig President.*

Per: *V. Frohovich*

Name/Title: *V - FROHOVCHUK*

I/We have authority to bind the Corporation.

(PIL)

COPY

April 27, 2016

Ms. Wiens,

Corporate Tax Return Filing Instructions

T2 - CORPORATION INCOME TAX RETURN (FEDERAL)

Federal corporate income tax returns will be electronically transmitted to the CRA. In order for us to electronically file the corporation's corporate income tax return, a signed copy of Form T183CORP, *Information Return for Corporations Filing Electronically* must be returned to us. Please note that we will not electronically file the company's corporate income tax return until we receive a signed T183CORP form.

Signature

- ☒ Form T183CORP, *Information Return for Corporations Filing Electronically*, should be completed and signed.

Mailing

- ☒ A copy of the signed T183CORP form should be returned to us in the self-addressed envelope as soon as possible in order to have the corporation's corporate income tax return filed on or before the due date for filing. Alternatively, you can fax it to at (807) 274-5142.

Payment

- ☒ You must make a payment of **\$32,311** to the *Receiver General* as soon as possible to minimize interest charges. You can make the payment using CRA's *My Payment* online service, at a financial institution or by cheque.

If you are paying by cheque, make the cheque payable to *the Receiver General of Canada* and indicate the corporation's Business number as well as the end date of the taxation period, i.e. December 31, 2015.

If the corporation is paying by cheque, then the payment and a completed remittance form should be sent to:

Canada Revenue Agency
875 Heron Road
Ottawa ON K1A 1B1

Canada Revenue
Agency Agence du revenu
du Canada

T2 Corporation Income Tax Return

200

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

All legislative references on this return are to the federal *Income Tax Act* 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 87440 4726 RC0001

Corporation's name

002 Atikokan Hydro 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.)

011 117 Gorrie Street

012 PO Box 1480

City

Province, territory, or state

015 Atikokan

016 ON

Country (other than Canada)

Postal code/Zip code

017 CA

018 POT 1C0

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

022 117 Gorrie Street

023 PO Box 1480

City

Province, territory, or state

025 Atikokan

026 ON

Country (other than Canada)

Postal code/Zip code

027 CA

028 POT 1C0

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.)

031 117 Gorrie Street

032 PO Box 1480

City

Province, territory, or state

035 Atikokan

036 ON

Country (other than Canada)

Postal code/Zip code

037 CA

038 POT 1C0

040 Type of corporation at the end of the tax year

1 ☒ Canadian-controlled private corporation (CCPC)4 ☐ Corporation controlled by a public corporation2 ☐ Other private corporation5 ☐ 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

060 2015-01-01

YYYY MM DD

Tax year-end

061 2015-12-31

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

898

Attachments

Financial statement information: Use GIFI 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 type="checkbox"/>	9
Is the corporation an associated CCPC?	<input 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 type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter?	<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"/>	
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 type="checkbox"/>	3
Is the corporation claiming any type of losses?	<input 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 checked="" type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	<input type="checkbox"/>	6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or	<input checked="" type="checkbox"/>	7
ii) does the corporation have aggregate investment income at line 440?	<input checked="" 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 type="checkbox"/>	13
Is the corporation claiming deductible reserves (other than transitional reserves under section 34.2)?	<input 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 type="checkbox"/>	31
Is the corporation claiming an investment tax credit?	<input checked="" type="checkbox"/>	T661
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	<input 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 type="checkbox"/>	
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	<input type="checkbox"/>	37
Is the corporation claiming a surtax credit?	<input type="checkbox"/>	38
Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	42
Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	43
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"/>	45
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	46
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	<input type="checkbox"/>	
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 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?	259 <input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	260 <input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261 <input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262 <input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263 <input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264 <input type="checkbox"/>	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265 <input type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266 <input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267 <input type="checkbox"/>	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268 <input type="checkbox"/>	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	269 <input type="checkbox"/>	54

Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	1 Yes <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? 913910 Other Local, Municipal and Regional Public Administration			
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 Retail Electricity	285 100.000 %	
	286	287	%
	288	289	%
Did the corporation immigrate to Canada during the tax year?	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the tax year?	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	294	YYYY MM DD	
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL.	300	262,326	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")		262,326	C
Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C plus amount D)	360	262,326	
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)		262,326	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	252,835	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	262,326	B
Business limit (see notes 1 and 2 below)	410	500,000	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	500,000	x	415 ***	D	=		E
				11,250			
Reduced business limit (amount C minus amount E) (if negative, enter "0")						425	500,000 F

Small business deduction

Amount A, B, C, or F, whichever is the least	252,835	x	Number of days in the tax year before January 1, 2016	365	x	17 % =	42,982	1
			Number of days in the tax year	365				
Amount A, B, C, or F, whichever is the least	252,835	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	42,982	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)		262,326	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		252,835	F
Aggregate investment income from line 440 on page 6*		9,491	G
Subtotal (add amounts B to G)		262,326	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** 9,491 x (26 2 / 3 + 4 x) % = 2,531 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 **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")

Amount A minus amount D (if negative, enter "0") 2,531 E

Taxable income from line 360 on page 3 262,326 F

Deduct:

Amount from line 400, 405, 410, or 425 on page 4,
whichever is the least 252,835 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 252,835 252,835 J

9,491 K x (26 2 / 3 + 4 x) % = 2,531 L

Number of days in the tax year after 2015
365
Number of days in the tax year

Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 8) 29,102 M

Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450** 2,531 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 2,531 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** 2,531 R

Refundable dividend tax on hand at the end of the tax year – Amount O plus amount R **485** 2,531

Dividend refund

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

Taxable dividends paid in the tax year from line 460 on page 2 of Schedule 3 x [(1 / 3) + (5 x) %] = 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 2,531 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** 99,684 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 9,491 C

Taxable income from line 360 on page 3 262,326 D

Deduct:

Amount from line 400, 405, 410, or 425 on page 4, whichever
is the least 252,835 E

Net amount (amount D minus amount E) 9,491 F

Refundable tax on CCPC's investment income –

($\frac{6}{365} \times \frac{2}{3} + \frac{4}{365} \times \frac{3}{4}$) % of whichever is less: amount C or amount F **604** 633 G

Subtotal (add amounts A, B, and G) 100,317 H

Deduct:

Small business deduction from line 430 on page 4 42,982 I

Federal tax abatement **608** 26,233

Manufacturing and processing profits deduction from Schedule 27 **616**

Investment corporation deduction **620**

Taxed capital gains **624** **628**

Additional deduction – credit unions from Schedule 17 **632**

Federal foreign non-business income tax credit from Schedule 21 **636**

Federal foreign business income tax credit from Schedule 21 **638**

General tax reduction for CCPCs from amount J on page 5 **639**

General tax reduction from amount R on page 5 **640**

Federal logging tax credit from Schedule 21 **641**

Eligible Canadian bank deduction under section 125.21 **648**

Federal qualifying environmental trust tax credit **652** 2,000

Investment tax credit from Schedule 31 **652** 2,000

Subtotal 71,215 J

Part I tax payable – Amount H minus amount J 29,102 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	29,102
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 29,102

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** 3,209Total tax payable **770** 32,311 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	
Total credits	890	

Refund code **894** Overpayment

Balance (amount A minus amount B) 32,311 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 Institution number **918** 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 32,311

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** A3064**Certification**

I, **950** Wiens **951** Jennifer **954** Director
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 2016-04-27 **956** (807) 597-6600
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 Jen Wiens **959** (807) 597-6600
Name (print) Telephone number

Language of correspondence – Langue de correspondanceIndicate your language of correspondence by entering **1** for English or **2** for French.
Indiquez votre langue de correspondance en inscrivant **1** pour anglais ou **2** pour français.**990** 1

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	2015-12-31

Balance sheet information

Account	Description	GIFI	Current year	Prior year
Assets				
	Total current assets	1599 +	1,624,066	1,398,096
	Total tangible capital assets	2008 +	6,172,644	5,972,922
	Total accumulated amortization of tangible capital assets	2009 -	3,450,023	3,320,273
	Total intangible capital assets	2178 +		
	Total accumulated amortization of intangible capital assets	2179 -		
	Total long-term assets	2589 +		
	* Assets held in trust	2590 +		
	Total assets (mandatory field)	2599 =	4,346,687	4,050,745
Liabilities				
	Total current liabilities	3139 +	1,100,601	921,489
	Total long-term liabilities	3450 +	647,340	765,064
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 =	1,747,941	1,686,553
Shareholder equity				
	Total shareholder equity (mandatory field)	3620 +	2,598,746	2,364,192
	Total liabilities and shareholder equity	3640 =	4,346,687	4,050,745
Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849 =	58,783	-175,771

* Generic item

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIF

Corporation's name	Business number	Tax year end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	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
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Income statement information

Total sales of goods and services	8089 +	5,635,724	4,303,102
Cost of sales	8518 -	3,966,181	2,717,285
Gross profit/loss	8519 =	1,669,543	1,585,817
Cost of sales	8518 +	3,966,181	2,717,285
Total operating expenses	9367 +	1,392,849	1,190,553
Total expenses (mandatory field)	9368 =	5,359,030	3,907,838
Total revenue (mandatory field)	8299 +	5,635,156	4,309,858
Total expenses (mandatory field)	9368 -	5,359,030	3,907,838
Net non-farming income	9369 =	276,126	402,020

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 =	276,126	402,020
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Total other comprehensive income	9998 =		
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Extraordinary items and income (linked to Schedule 140)

Extraordinary item(s)	9975 -		
Legal settlements	9976 -		
Unrealized gains/losses	9980 +		
Unusual items	9985 -		
Current income taxes	9990 -	41,572	12,719
Future (deferred) income tax provision	9995 -		
Total – Other comprehensive income	9998 +		
Net income/loss after taxes and extraordinary items (mandatory field)	9999 =	234,554	389,301

Notes Checklist

Corporation's name	Business number	Tax year-end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	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 <input checked="" type="checkbox"/>	2 No <input type="checkbox"/>
Is the accountant connected* with the corporation?	097	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>

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 <input checked="" type="checkbox"/>
Completed a review engagement report	2 <input type="checkbox"/>
Conducted a compilation engagement	3 <input type="checkbox"/>

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 <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
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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 <input type="checkbox"/>
Prepared the tax return and the financial information contained therein (financial statements have not been prepared)	2 <input type="checkbox"/>
Were notes to the financial statements prepared?	101 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/>
If yes , complete lines 104 to 107 below:	
Are subsequent events mentioned in the notes?	104 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>
Is re-evaluation of asset information mentioned in the notes?	105 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>
Is contingent liability information mentioned in the notes?	106 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/>
Is information regarding commitments mentioned in the notes?	107 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>
Does the corporation have investments in joint venture(s) or partnership(s)?	108 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>

Net Income (Loss) for Income Tax Purposes

SCHEDULE 1

Corporation's name	Business Number	Tax year end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	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			234,554	A
Add:				
Provision for income taxes – current	101	41,572		
Amortization of tangible assets	104	180,844		
Loss on disposal of assets	111	16,690		
Non-deductible meals and entertainment expenses	121	1,623		
Subtotal of additions		240,729	240,729	
Other additions:				
Miscellaneous other additions:				
600 Ontario apprenticeship tax credit	290	9,260		
603				
Inducement - ITA 12(1)(x)		2,000		
Total	293	2,000		
604				
Total	294			
Subtotal of other additions	199	11,260	11,260	
Total additions	500	251,989	251,989	B
Amount A plus amount B			486,543	
Deduct:				
Capital cost allowance from Schedule 8	403	213,866		
Cumulative eligible capital deduction from Schedule 10	405	634		
Subtotal of deductions		214,500	214,500	
Other deductions:				
Miscellaneous other deductions:				
700 ON apprentice credit already included in wage reduction	390	9,260		
701 Revenue previously taxes	391	457		
704				
Total	394			
Subtotal of other deductions	499	9,717	9,717	
Total deductions	510	224,217	224,217	
Net income (loss) for income tax purposes – enter on line 300 of the T2 return			262,326	

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) of the ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Select this check box to add all the amounts to income calculated in Schedule 1. ☐

Federal

A

- ☒ Investment tax credit from apprenticeship job creation expenditures 2,000
- ☒ Investment tax credit from child care spaces expenditures
- ☐ Canadian film or video production tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☐ Film or video production services tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☒ Investment tax credit claimed on contributions made to SR&ED farming organizations

Ontario

A

- ☒ Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations
- ☐ Ontario co-operative education tax credit
- ☐ Ontario apprenticeship training tax credit 7,534
- ☐ Ontario computer animation and special effects tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☐ Ontario film and television tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☐ Ontario production services tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☐ Ontario interactive digital media tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☐ Ontario sound recording tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☐ Ontario book publishing tax credit
- ☒ Portion of the Ontario innovative tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations
- ☐ Ontario business-research institute tax credit
- ☐ Ontario community food program donation tax credit for farmers

Tax credits whose amount should reduce the capital cost of property

 Canada Revenue Agency Agence du revenu du Canada

Tax Calculation Supplementary – Corporations

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	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	129 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
262,326	252,835	262,326	12,469

Ontario basic income tax (from Schedule 500) **270** 30,167

Deduct: Ontario small business deduction (from Schedule 500) **402** 17,698

Subtotal **12,469** ▶ 12,469 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) **12,469** 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") **12,469** 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") **12,469** 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") **12,469** 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) **12,469** 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** 9,260

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 **9,260** ▶ 9,260 J6

Net Ontario tax payable or refundable credit (amount I6 minus amount J6) **290** 3,209 K6

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

Summary

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

Net provincial and territorial tax payable or refundable credits **255** 3,209

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.

Aggregate Investment Income and Active Business Income

Corporation's name	Business number	Tax year-end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	2015-12-31

- This schedule is for the use of Canadian-controlled private corporations (CCPCs) to calculate:
 - for the purpose of determining the refundable portion of Part I tax, aggregate investment income and foreign investment income, as defined in subsection 129(4) of the *Income Tax Act*;
 - specified partnership income, when the CCPC is a member of one or more partnership(s); and
 - income from an active business carried on in Canada for the small business deduction.
- For more information, see the sections called "Small Business Deduction" and "Refundable Portion of Part I Tax" in Guide T4012, *T2 Corporation – Income Tax Guide*.

Part 1 – Aggregate investment income

The aggregate investment income is the aggregate **world** source income.

Eligible portion of taxable capital gains for the year **002** A

Deduct:

Eligible portion of allowable capital losses for the year (including allowable business investment losses) **012** a

Net capital losses of previous years claimed on line 332 on the T2 return **022** b

Subtotal (amount a **plus** amount b) B

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

Total income from property (include income from a specified investment business carried on in Canada other than income from a source outside Canada) **032** 9,491 c

Deduct:

Exempt income **042** 1

Amounts received from AgriInvest Fund No. 2 that were included in computing the corporation's income for the year **052** 2

Taxable dividends deductible (total of column F on Schedule 3 **minus** related expenses) **062** 3

Business income from an interest in a trust that is considered property income under paragraph 108(5)(a) **072** 4

Subtotal (**add** amounts 1 to 4) d

Subtotal (amount c **minus** amount d) 9,491 9,491 D

Amount C **plus** amount D 9,491 E

Total losses from property (include losses from a specified investment business carried on in Canada other than a loss from a source outside Canada) **082** F

Amount E **minus** amount F (if negative, enter "0") **092** 9,491 G

Enter amount G on line 440 of the T2 return.

Part 2A – Canadian investment income calculation

Eligible portion of taxable capital gains for the year before taking into account the capital gains reserve (federal) of Schedule 13	1.1		
Reserve's eligible portion (addition/deduction)	1.2		
Taxable capital gains under section 34.2 of the ITA	1.3		
The eligible portion of taxable capital gains for the year after taking into account the capital gains reserve (federal) of Schedule 13 (total of amounts 1.1, 1.2 and 1.3)		▶	1a
Deduct:			
Eligible portion of allowable capital losses for the year (including allowable business investment losses)	2a		
Net capital losses of previous years of other years claimed on line 332 on the T2 return	3a		
Allowable capital losses under section 34.2 of the ITA	3.1		
Total of amounts 2a, 3a and 3.1		▶	4a
Amount 1a minus amount 4a (if negative, enter "0")			5a
Taxable dividends	6.1		
Rental property income (under regulation 1100(11))	6.2		
Other property income	9,491	6.3	
Property income under section 34.2 of the ITA (line 280 of Schedule 73, <i>Income Inclusion Summary for Corporations that are Members of Partnerships</i>)	6.4		
Total property income from Canadian sources	9,491	▶	6a
Deduct:			
Exempt income	7a		
Amounts received from AgrilInvest Fund No. 2 that were included in computing the corporation's income for the year	8a		
Taxable dividends deductible (total of column F on Schedule 3 minus related expenses)	9a		
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	10a		
Total of amounts 7a to 10a		▶	11a
Amount 6a minus amount 11a			12a
Amount 5a plus amount 12a			13a
Rental property losses (under regulation 1100(11))	14.1		
Dividend losses	14.2		
Other property losses	14.3		
Property losses under section 34.2 of the ITA (line 280 of Schedule 73, <i>Income Inclusion Summary for Corporations that are Members of Partnerships</i>)	14.4		
Total property losses from Canadian sources		▶	14a
Amount 13a minus amount 14a (if negative, enter "0")			15a

Part 2 – Foreign investment income

The foreign investment income is all income from sources **outside Canada**.

Eligible portion of taxable capital gains for the year before taking into account the capital gains reserve (federal) of Schedule 13

H1

Reserve's eligible portion (addition/deduction)

H2

Taxable capital gains under section 34.2 of the ITA*

H3

Eligible portion of taxable capital gains for the year after taking into account the capital gains

reserve (federal) of Schedule 13 (total of amounts H1, H2 and H3)

001

H

Allowable capital losses for the year

I1

Allowable capital losses under section 34.2 of the ITA*

I2

Eligible portion of allowable capital losses for the year

(including allowable business investment losses) (total of amounts I1 and I2)

009

I

Subtotal (amount H minus amount I) (if negative, enter "0")

J

Taxable dividends

e1

Rental property income (under regulation 1100(11))

e2

Other property income

e3

Property income under section 34.2 of the ITA

(line 280 of Schedule 73, *Income Inclusion Summary for Corporations that are Members of Partnerships*)*

e4

Total income from property from a source

outside Canada (net of related expenses)

019

e

Deduct:

Exempt income

029

5

Taxable dividends deductible (total of column F on

Schedule 3 minus related expenses)

049

6

Business income from an interest in a trust that is

considered property income under paragraph 108(5)(a)

059

7

Subtotal (add amounts 5 to 7)

f

Subtotal (amount e minus amount f)

K

Amount J plus amount K

L

Rental property losses (under regulation 1100(11))

M1

Dividend losses

M2

Other property losses

M3

Property losses under section 34.2 of the ITA (line 280 of Schedule 73,

Income Inclusion Summary for Corporations that are Members of Partnerships)*

M4

Total losses from property from a source **outside Canada**

069

M

Amount L minus amount M (if negative, enter "0")

079

N

(enter amount N on line 445 of the T2 return)

* When an amount is entered on these lines, the amounts calculated for the taxable capital gains or allowable capital losses on lines 1.3 and 3.1 as well as property income or losses on lines 6.4 and 14.3 in Part 2A, "Canadian investment income calculation" are automatically updated. For more details, press F1 to consult the Help.

[illegible]

Part 3 – Specified partnership income

A		B		C		D1	
Partnership name		Partnership's account number		Total income (loss) partnership from active business		Corporation's share of amount column B	
200		300		310			
D2		D		E		F	
Expenses incurred to earn partnership income		Adjustments (add or deduct the prorated amounts calculated under section 34.2* and deduct expenses incurred by the corporation to earn partnership income) (column D1 minus column D2)		Corporation's income (loss) of the partnership (column C plus column D)		Number of days in the partnership's fiscal period	
315		320		325		330	
D3		D		E		F	
Expenses incurred to earn partnership income		Adjustments (add or deduct the prorated amounts calculated under section 34.2* and deduct expenses incurred by the corporation to earn partnership income) (column D1 minus column D2)		Corporation's income (loss) of the partnership (column C plus column D)		Number of days in the partnership's fiscal period	
315		320		325		330	
Total		Total		Total		Total	
350		350		360		360	

Corporation's losses for the year from an active business carried on in Canada (other than as a member of a partnership) — enter as a positive amount **370**

Specified partnership loss of the corporation for the year – enter as a positive amount
(total of all negative amounts in column E) **380**

Subtotal (amount g **plus** amount h) _____ i

Amount at line 385 or amount i, whichever is less **390** 0

Specified partnership income (line 360 plus amount O) **400** P

Enter amount P at line T in Part 4.

Part 3 – Specified partnership income (continued)

* In general, amounts included under subsections 34.2(2), (3), and (12) or claimed under subsections 34.2(4) and (11) are deemed to have the **same character** and be in the **same proportions** as the partnership income they relate to. For example, if a corporation receives \$100,000 of partnership income for the partnership's fiscal period ending in its tax year, and that income is made up of \$40,000 of active business income, \$30,000 of income from property, and \$30,000 as a taxable capital gain, the corporation's adjusted stub period accrual (ASPA) in respect of the partnership would be 40% active business income, 30% property income, and 30% taxable capital gains. Add or deduct **only the portion** of the following amounts that is deemed under subsection 34.2(5) to be **active business income**:

Add:

- the ASPA under subsection 34.2(2) (column 4 of Schedule 73)
- the income inclusion for a new corporate member of a partnership under subsection 34.2(3) (column 6 of Schedule 73)
- the previous-year transitional reserve under subsection 34.2(12) (column 12 of Schedule 73)

Deduct:

- the previous-year ASPA under subsection 34.2(4) (column 5 of Schedule 73)
- the previous-year income inclusion for a new corporate member of a partnership under subsection 34.2(4) (column 7 of Schedule 73)
- the current-year transitional reserve under subsection 34.2(11) (column 11 of Schedule 73)

** When a partnership carries on more than one business, one of which generates income and another of which realizes a loss, the loss is not netted against the partnership's income for the purpose of calculating the prorated business limit in column G. Enter on line h the total of all loss from column E.

Part 4 – Partnership income not eligible for the small business deduction

Corporation's share of partnership income from active businesses carried on in Canada after deducting related expenses – from line 350 in Part 3 (if the net amount is negative, enter "0" on line U)

Specified partnership loss (from amount h in Part 3)		Q
		R
	Subtotal (amount Q plus amount R)	S
Deduct:		
Specified partnership income (from amount P in Part 3)		T
Partnership income not eligible for the small business deduction (amount S minus amount T)	450	U
(enter on line p in Part 5)		

Part 5 – Income from active business carried on in Canada

Net income for income tax purposes from line 300 of the T2 return	262,326	j
Plus:		
Allowable business investment loss from line 406 of Schedule 1		k
	Subtotal (amount j plus amount k)	262,326
		262,326 V
Deduct:		
Foreign business income after deducting related expenses*	500	l
Taxable capital gains from line 113 of Schedule 1		m
Net property income (amount c** minus amounts 1, 2, and F* in Part 1)	9,491	n
Personal services business income and other income after deducting related expenses*	520	o
	Subtotal (add amounts l to o)	9,491
		9,491 W
Net amount (amount V minus amount W)		252,835 X
Deduct:		
Partnership income not eligible for the small business deduction (amount U in Part 4)		p
Income allocated to the corporation under subsection 96(1.1)	530	q
	Subtotal (amount p plus amount q)	
		Y
Income from active business carried on in Canada (amount X minus amount Y)		252,835 Z
(enter amount Z on line 400 of the T2 return - if negative, enter "0")		

* If negative, enter amount in brackets, and **add** instead of **subtracting**.

** Net of related expenses.



Capital Cost Allowance (CCA)

Corporation's name	Business Number	Tax year end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	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	BUILDINGS	410,082			0		410,082	4	0	0	16,403	393,679
2. 1	TRANS/DIST EQUIPMENT	2,034,044	223,815		0	111,903	2,145,951	4	0	0	85,838	2,172,021
3. 8	TOOLS & EQUIPMENT	34,366	14,177		0	7,089	41,454	20	0	0	8,291	40,252
4. 10	ROLLING STOCK	76,431	11,314		1,160	5,077	81,508	30	0	0	24,452	62,133
5. 10	COMPUTER	806			0		806	30	0	0	242	564
6. 45	New Computers	97			0		97	45	0	0	44	53
7. 50	Computer Hardware	7,562	7,436		0	3,718	11,280	55	0	0	6,204	8,794
8. 47	Transmission and distribution a/c	755,807			0		755,807	8	0	0	60,465	695,342
9. 12	Computer Software		11,927		0		11,927	100	0	0	11,927	
Totals		3,319,195	268,669		1,160	127,792	3,458,912				213,866	3,318

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		268,569	
Additions for tax purposes – Schedule 8 leasehold improvements	+		
Operating leases capitalized for book purposes	+		
Capital gain deferred	+		
Recapture deferred	+		
Deductible expenses capitalized for book purposes – Schedule 1	+		
Other (specify):			
	+		
Total additions per books	=	268,669	268,669
Proceeds up to original cost – Schedule 8 regular classes		1,160	
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):			
Loss posted in another account	+		
Rounding	+	3	
Total proceeds per books	=	1,163	1,163
Depreciation and amortization per accounts – Schedule 1	–		180,844
Loss on disposal of fixed assets per accounts	–		16,690
Gain on disposal of fixed assets per accounts	+		
Net change per tax return	=		69,972

Financial statements

Fixed assets (excluding land) per financial statements

Closing net book value		2,707,033	
Opening net book value	–	2,637,061	
Net change per financial statements	=		69,972

If the amounts from the tax return and the financial statements differ, explain why below.



CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

Name of corporation	Business Number	Tax year-end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	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	9,063	A
Add: Cost of eligible capital property acquired during the taxation year	222		
Other adjustments	226		
Subtotal (line 222 plus line 226)			B
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002	228		C
amount B minus amount C (if negative, enter "0")			D
Amount transferred on amalgamation or wind-up of subsidiary	224		E
Subtotal (add amounts A, D, and E)	230	9,063	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)		248	J
Cumulative eligible capital balance (amount F minus amount J)		9,063	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		9,063	
less amount from line 249			
Current year deduction		9,063	
	x 7.00 %	= 250	634 *
(line 249 plus line 250) (enter this amount at line 405 of Schedule 1)		634	634 L
Cumulative eligible capital – Closing balance (amount K minus amount L) (if negative, enter "0")	300	8,429	M

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

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

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

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



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/lgblywrkfrsrdrnvtmnttxcrdts-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 to 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	Business number	Tax year-end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	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	Description of investment	Date available for use	Location used (province or territory)	Amount of investment
105	110	115	120	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)		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** 94,966

Enter your taxable capital employed in Canada for the previous tax year 2,384,313

minus \$10 million. If this amount is nil or negative, enter "0".

If this amount is over \$40 million, enter \$40 million **398**

* 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 $500,000 \times 10 =$ **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 **40,000,000** a

Amount a **divided** by \$ 40,000,000 **1** C

Expenditure limit for the stand-alone corporation (amount B **multiplied** by amount C) **3,000,000** 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 \times $\frac{\text{Number of days in the tax year}}{365} =$ **365** F

Your SR&ED expenditure limit for the year (enter the amount from line D, E, or F, whichever applies) **410** 3,000,000

* 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")					3,000,000	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	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)	Amount from column 700 or 710, whichever is less
700	710	
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	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	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.)
720	730	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 $(A \times B) - C$	E ITC earned by the transferee for the qualified expenditures that were transferred	F Amount from column D or E, whichever is less
	750	
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.		

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)				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		
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)				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. [REDACTED]	[REDACTED]	5,881,914	588,191	2,000
Total current-year credit (enter at line 640 in Part 22)				2,000 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 2,000	
Credit allocated from a partnership	..... 655	
Subtotal (total of lines 630 to 655)	..... 2,000	D
Total credit available (line 625 plus amount D)	.....	E 2,000
Deduct:		
Credit deducted from Part I tax (enter at amount G in Part 30)	..... 660 2,000	
Credit carried back to the previous year(s) (amount G from Part 23)	..... a	
Subtotal (line 660 plus amount a)	..... 2,000	F 2,000
ITC closing balance from apprenticeship job creation expenditures (amount E minus amount F)	..... 690	

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 665	Description of investment 675	Date available for use 685	Amount of investment 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) $\times 25\% =$ **C**

Number of child care spaces **755** $\times \$ 10,000 =$ **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) ▶		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) ▶		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) ▶		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

	<table border="1" style="border-collapse: collapse; width: 100%;"> <tr> <th style="width: 33%;">Year</th> <th style="width: 33%;">Month</th> <th style="width: 33%;">Day</th> </tr> <tr> <td>2014-12-31</td> <td></td> <td></td> </tr> <tr> <td>2013-12-31</td> <td></td> <td></td> </tr> <tr> <td>2012-12-31</td> <td></td> <td></td> </tr> </table>	Year	Month	Day	2014-12-31			2013-12-31			2012-12-31			
Year	Month	Day												
2014-12-31														
2013-12-31														
2012-12-31														
1st previous tax year	Credit to be applied	941												
2nd previous tax year	Credit to be applied	942												
3rd previous tax year	Credit to be applied	943												
Total (enter at amount a in Part 26)		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)

2,000

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)

2,000

I

Enter amount I at line 652 of the T2 return.

Privacy Act, Personal Information Bank number CRA PPU 047

Summary of Investment Tax Credit Carryovers

Continuity of investment tax credit carryovers

CCA class number 97 Apprenticeship job creation ITC

Current year

Addition current year (A)	Applied current year (B)	Claimed as a refund (C)	Carried back (D)	ITC end of year (A-B-C-D)
2,000	2,000			

Prior years

Taxation year

ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
---------------------------------	--------------------	--------------------------------	-------------------------------

2014-12-31

2013-12-31

2012-12-31

2011-12-31

2010-12-31

2009-12-31

2008-12-31

2007-12-31

2006-12-31

2005-12-31

2004-12-31

2003-12-31

2002-12-31

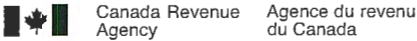
2001-12-31

2000-12-31

Total

Total ITC utilized 2,000

* The ITC end of year includes the amount of ITC expired from the 10th preceding year if it is before January 1, 1998, or the amount of ITC expired from the 20th preceding year if it is after December 31, 1997. Note that this credit expires at the end of the tax year and any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.



SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	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	300	350	400	500
1	TOWNSHIP OF ATIKOKAN (Corporation)		NA		100.000	
2						
3						
4						
5						
6						
7						
8						
9						
10						

Ontario Corporation Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	2015-12-31

- Use this schedule if the corporation had a permanent establishment (as defined in section 400 of the federal *Income Tax Regulations*) in Ontario at any time in the tax year and had Ontario taxable income in the year.
- All legislative references are to the federal *Income Tax Act* and *Income Tax Regulations*.
- This schedule is a worksheet only. You do not have to file it with your *T2 Corporation Income Tax Return*.

Part 1 – Ontario basic rate of tax for the year

Ontario basic rate of tax for the year 11.5 % A

Part 2 – Calculation of Ontario basic income tax

Ontario taxable income * 262,326 B

Ontario basic income tax: amount B multiplied by Ontario basic rate of tax for the year (rate A from Part 1) 30,167 C

If the corporation has a permanent establishment in more than one jurisdiction, or is claiming an Ontario tax credit in addition to Ontario basic income tax, or has Ontario corporate minimum tax or Ontario special additional tax on life insurance corporations payable, enter amount C on line 270 of Schedule 5, *Tax Calculation Supplementary – Corporations*. Otherwise, enter it on line 760 of the T2 return.

* If the corporation has a permanent establishment only in Ontario, enter the amount from line 360 or line Z, whichever applies, of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.

Part 3 – Ontario small business deduction (OSBD)

Complete this part if the corporation claimed the federal small business deduction under subsection 125(1) or would have claimed it if subsection 125(5.1) had not been applicable in the tax year.

Income from active business carried on in Canada (amount from line 400 of the T2 return)	252,835	1
Federal taxable income, less adjustment for foreign tax credit (amount from line 405 of the T2 return)	262,326	2
Federal business limit before the application of subsection 125(5.1) (amount from line 410 of the T2 return)	500,000	3

Ontario business limit reduction:

Amount from line 3 500,000 a

Deduct:

Amount from line E of the T2 return $\times \frac{\text{Number of days in the tax year after May 1, 2014}}{\text{Number of days in the tax year}} = \frac{365}{365} =$ b

Reduced Ontario business limit (amount a minus amount b) (if negative, enter "0") 500,000 500,000 4

Enter the least of amounts 1, 2, 3, and 4 252,835 D

Ontario domestic factor (ODF): $\frac{\text{Ontario taxable income}^*}{\text{Taxable income earned in all provinces and territories}^{**}} = \frac{262,326.00}{262,326} = 1.00000$ E

Amount D \times ODF (line E) 252,835 c

Ontario taxable income (amount B from Part 2) 262,326 d

Ontario small business income (lesser of amount c and amount d) 252,835 F

OSBD rate for the year 7 % G

Ontario small business deduction: amount F multiplied by rate G 17,698 H

Enter amount H on line 402 of Schedule 5.

* Enter amount B from Part 2.

** Includes the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 4 – Ontario adjusted small business income

Complete this part if the corporation was a Canadian-controlled private corporation throughout the tax year and is claiming the Ontario tax credit for manufacturing and processing or the Ontario credit union tax reduction.

Ontario adjusted small business income (lesser of amount D and amount d from Part 3) 252,835 I

Enter amount I on line K in Part 5 of this schedule or on line B in Part 2 of Schedule 502, *Ontario Tax Credit for Manufacturing and Processing*, whichever applies.

Part 5 – Calculation of credit union tax reduction

Complete this part and Schedule 17, *Credit Union Deductions*, if the corporation was a credit union throughout the tax year.

Amount D from Part 3 of Schedule 17 J

Deduct:

Ontario adjusted small business income (amount I from Part 4) K

Subtotal (amount J **minus** amount K) (if negative, enter "0") L

Amount L **multiplied** by rate G from Part 3 M

Ontario domestic factor (line E from Part 3) 1.00000 N

Ontario credit union tax reduction (amount M **multiplied** by ODF from line N) O

Enter amount O on line 410 of Schedule 5.



Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	2015-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
 - a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
 - a mortgage investment corporation under subsection 130.1(6) of the federal Act;
 - a deposit insurance corporation under subsection 137.1(5) of the federal Act;
 - a congregation or business agency to which section 143 of the federal Act applies;
 - an investment corporation as referred to in subsection 130(3) of the federal Act; or
 - a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	4,346,687
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	
Total assets (total of lines 112 to 116)		4,346,687
Total revenue of the corporation for the tax year **	142	5,635,156
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	
Total revenue (total of lines 142 to 146)		5,635,156

The corporation is subject to CMT if:

- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

* Rules for total assets

- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

** Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, **multiply** the total revenue of the corporation or the partnership, whichever applies, by 365 and **divide** by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes

Net income/loss per financial statements *		210	234,554
Add (to the extent reflected in income/loss):			
Provision for current income taxes/cost of current income taxes	220	41,572	
Provision for deferred income taxes (debits)/cost of future income taxes	222		
Equity losses from corporations	224		
Financial statement loss from partnerships and joint ventures	226		
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230		
Other additions (see note below):			
Share of adjusted net income of partnerships and joint ventures **	228		
Total patronage dividends received, not already included in net income/loss	232		
281	282		
283	284		
	Subtotal	41,572	41,572 A
Deduct (to the extent reflected in income/loss):			
Provision for recovery of current income taxes/benefit of current income taxes	320		
Provision for deferred income taxes (credits)/benefit of future income taxes	322		
Equity income from corporations	324		
Financial statement income from partnerships and joint ventures	326		
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330		
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332		
Gain on donation of listed security or ecological gift	340		
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342		
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344		
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346		
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348		
Other deductions (see note below):			
Share of adjusted net loss of partnerships and joint ventures **	328		
Tax payable on dividends under subsection 191.1(1) of the federal Act multiplied by 3	334		
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336		
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338		
381	382		
383	384		
385	386		
387	388		
389	390		
	Subtotal		B
Adjusted net income/loss for CMT purposes (line 210 plus amount A minus amount B)		490	276,126

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

Note

In accordance with *Ontario Regulation 37/09*, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

* Rules for net income/loss

- Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal *Bank Act*, adjusted so consolidation and equity methods are not used.

Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

- Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
- Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
- Corporations, other than insurance corporations, should report net income from line 9999 of the GIF1 (Schedule 125) on line 210.
- ** The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.
- *** A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.
- **** A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.
- ***** A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.**Part 3 – CMT payable**Adjusted net income for CMT purposes (line 490 in Part 2, if positive) **515****Deduct:**

CMT loss available (amount R from Part 7) 27,629

Minus: Adjustment for an acquisition of control * **518**

Adjusted CMT loss available 27,629 ▶ 27,629 C

Net income subject to CMT calculation (if negative, enter "0") **520**

Amount from line 520	x	Number of days in the tax year before July 1, 2010	x	4 % =	1
		Number of days in the tax year	365		

Amount from line 520	x	Number of days in the tax year after June 30, 2010	365	x	2.7 % =	2
		Number of days in the tax year	365			

Subtotal (amount 1 plus amount 2) 3

Gross CMT: amount on line 3 above x OAF ** **540****Deduct:**Foreign tax credit for CMT purposes *** **550**

CMT after foreign tax credit deduction (line 540 minus line 550) (if negative, enter "0") D

Deduct:

Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5) 12,469

Net CMT payable (if negative, enter "0") E

Enter amount E on line 278 of Schedule 5, *Tax Calculation Supplementary – Corporations*, and complete Part 4.

* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.

*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.

**** Calculation of the Ontario allocation factor (OAF):**

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F:

Ontario taxable income ****	=	
Taxable income *****		

Ontario allocation factor 1.00000 F

**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were \$1,000.

***** Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carryforward

CMT credit carryforward at the end of the previous tax year *	.....	G
Deduct:		
CMT credit expired *	..... 600	
CMT credit carryforward at the beginning of the current tax year * (see note below)	..... 620	
Add:		
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)	..... 650	
CMT credit available for the tax year (amount on line 620 plus amount on line 650)	.....	H
Deduct:		
CMT credit deducted in the current tax year (amount P from Part 5)	.....	I
	Subtotal (amount H minus amount I)	J
Add:		
Net CMT payable (amount E from Part 3)	.....
SAT payable (amount O from Part 6 of Schedule 512)	.....
	Subtotal	K
CMT credit carryforward at the end of the tax year (amount J plus amount K)	..... 670	L

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
 – do not enter an amount on line G or line 600;
 – for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.

Note: If you entered an amount on line 620 or line 650, complete Part 6.

Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable

CMT credit available for the tax year (amount H from Part 4)	.....	M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	..... 12,469	1
For a corporation that is not a life insurance corporation:		
CMT after foreign tax credit deduction (amount D from Part 3)	..... 2	
For a life insurance corporation:		
Gross CMT (line 540 from Part 3)	..... 3	
Gross SAT (line 460 from Part 6 of Schedule 512)	..... 4	
The greater of amounts 3 and 4	..... 5	
Deduct: line 2 or line 5, whichever applies:	..... 6	
	Subtotal (if negative, enter "0")	12,469 N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	..... 12,469	
Deduct:		
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 minus line 450 from Schedule 5)	..... 9,260	
	Subtotal (if negative, enter "0")	3,209 O
CMT credit deducted in the current tax year (least of amounts M, N, and O)	.....	P

Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.

Is the corporation claiming a CMT credit earned before an acquisition of control? **675** 1 Yes ☐ 2 No ☒

If you answered **yes** to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

Part 6 – Analysis of CMT credit available for carryforward by year of origin

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.

** Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

Part 7 – Calculation of CMT loss carryforward

CMT loss carryforward at the end of the previous tax year *	27,629	Q
Deduct:		
CMT loss expired *	700	
CMT loss carryforward at the beginning of the tax year * (see note below)	27,629	720 27,629
Add:		
CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below)	750	
CMT loss available (line 720 plus line 750)		27,629 R
Deduct:		
CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3)	27,629	
Subtotal (if negative, enter "0")		S
Add:		
Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if negative) (enter as a positive amount)	760	
CMT loss carryforward balance at the end of the tax year (amount S plus line 760)	770	T

- * For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line Q or line 700;
 - for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.

- ** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 8 – Analysis of CMT loss available for carryforward by year of origin

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

** Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

*** The total of these two columns must equal the total of the amounts entered on lines 720 and 750.

Canada Revenue Agency
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SCHEDULE 546

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	2015-12-31

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

Part 1 – Identification

100 Corporation's name (exactly as shown on the MGS public record) Atikokan Hydro Inc.			
Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent Ontario	110 Date of incorporation or amalgamation, whichever is the most recent Year Month Day 2000-03-07	120 Ontario Corporation No. 1383704	

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

200 Care of (if applicable)			
210 Street number	220 Street name/Rural route/Lot and Concession number Gorrie Street	230 Suite number	
240 Additional address information if applicable (line 220 must be completed first) PO Box 1480			
250 Municipality (e.g., city, town) Atikokan	260 Province/state ON	270 Country CA	280 Postal/zip code P0T 1C0

Part 3 – Change identifier

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

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

Part 4 – Certification

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

450 Wiens	451 Jennifer
Last name	First name
454 _____	
Middle name(s)	

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

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

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

Part 5 – Mailing address

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

Part 6 – Language of preference

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

Schedule 552

Ontario Apprenticeship Training Tax Credit

Corporation's name	Business number	Tax year-end Year Month Day
Atikokan Hydro Inc.	87440 4726 RC0001	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 Jen Wiens	120 Telephone number (807) 597-6600
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 percentageCorporation's salaries and wages paid in the previous tax year * **300** 565,185**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** 25.870 %**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** 36.741 %**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** 25.870 %

* 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				
1. 434a	Powerline Technician					
			420	425	430	435
1. CA 92'0				2014-03-31	2015-01-01	2015-12-04

Note 1: Enter the original registration date of the apprenticeship contract or training agreement in all cases, even when multiple employers employed the apprentice.

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.

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.

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.	338		338	9,260

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 = $(\$10,000 \times H2/365^*)$ or $(\$5,000 \times 4H/365^*)$, 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.	58,819		58,819	21,611

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 = $(J2 \times \text{line 312})$ or $(4J \times \text{line 314})$, 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.	9,260	9,260

Ontario apprenticeship training tax credit (total of amounts in column N)

5009,260 **O**

Or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount O:

Amount O _____ x 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.



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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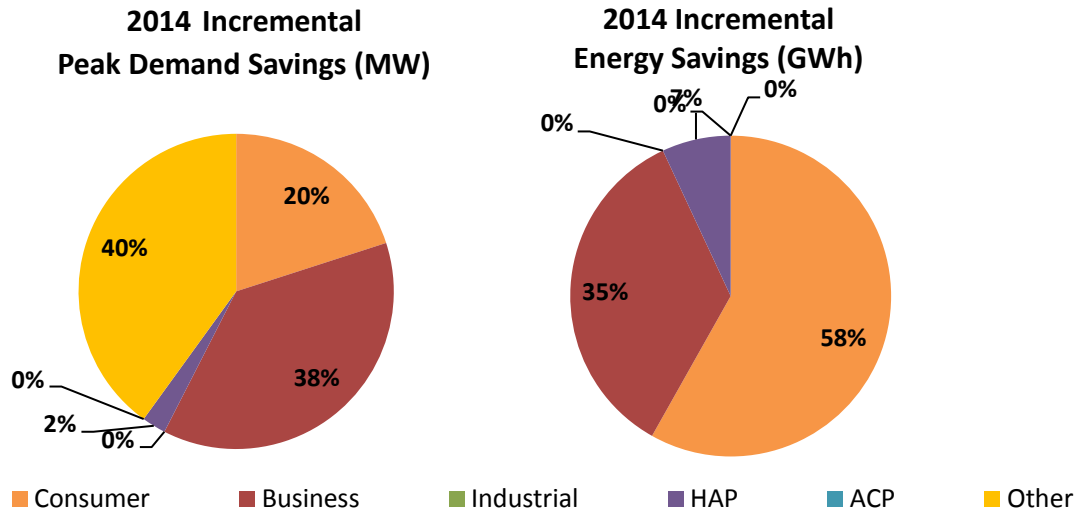
IESO-Contracted Province-Wide CDM Programs: 2011-2014 Final Results Report

LDC: Atikokan Hydro Inc.

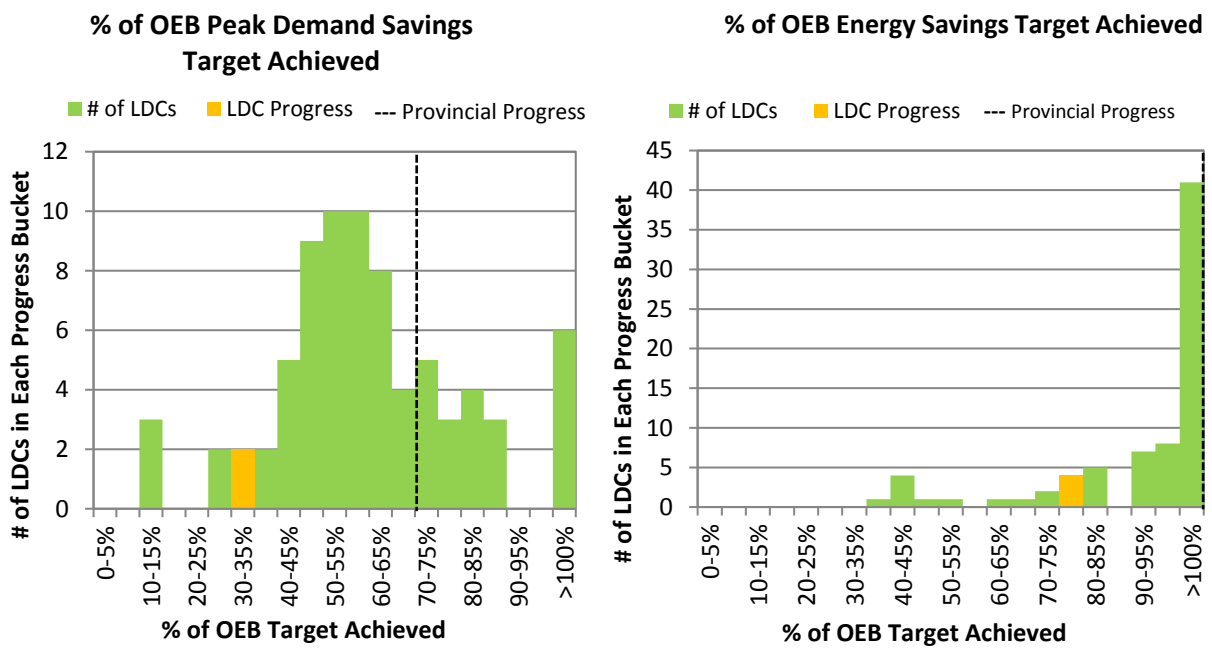
Final 2014 Achievement Against Targets	2014 Incremental	2011-2014	
		Achievement Against Target	% of Target Achieved
Net Annual Peak Demand Savings (MW)	0.0	0.1	32.8%
Net Energy Savings (GWh)	0.1	0.9	79.1%

Unless otherwise noted, results are presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Achievement by Sector



Comparison: LDC Achievement vs. LDC Community Achievement (Progress to Target)



*Includes adjustments after Final Reports were issued

Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Table 2: Adjustments to Atikokan Hydro 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	0	0	2		0	0	0		-46	2	629		0	1,080
Conservation Instant Coupon Booklet	Items	2	0	0		0	0	0		73	0	6		0	305
Bi-Annual Retailer Event	Items	22	0	0		0	0	0		580	0	0		0	2,318
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
Consumer Program Total						0	0	0		607	2	635		0	3,703
Business Program															
Retrofit	Projects	0	1	0		0	2	0		0	14,194	0		2	42,582
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	0		0	0	0		0	0	0		0	0
Energy Audit	Audits	0	0	0		0	0	0		0	0	0		0	0
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
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						0	2	0		0	14,194	0		2	42,582
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	0	75		0	0	3		0	0	55,772		3	109,326
Home Assistance Program Total						0	0	3		0	0	55,772		3	109,326
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	0		0	0	0		0	0	0		0	0
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						0	0	0		0	0	0		0	0
Other															
Program Enabled Savings	Projects	0	0	0		0	0	0		0	0	0		0	0
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	0		0	0	0		0	0
Adjustments to 2011 Verified Results						0				607				0	2,427
Adjustments to 2012 Verified Results							2				14,196			2	42,589
Adjustments to 2013 Verified Results								4				56,407		3	110,596
Total Adjustments to Previous Years' Verified Results						0	2	4		607	14,196	56,407		6	155,611

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: Atikokan Hydro 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	0.52	0.47	0.42	0.42	1.00	1.00	n/a	n/a	0.52	0.47	0.44	0.44
Appliance Exchange	1.00	1.00	n/a	1.00	0.52	0.52	n/a	0.53	1.00	1.00	n/a	1.00	0.52	0.52	n/a	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	0.59	0.49	0.48	0.51
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	1.11	1.05	1.13	1.73
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	n/a	0.98	n/a	n/a	n/a	0.80	n/a	n/a	n/a	1.21	n/a	n/a	n/a	0.80	n/a	n/a
Direct Install Lighting	n/a	0.68	0.81	0.78	n/a	0.94	0.94	0.94	n/a	0.85	0.84	0.83	n/a	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	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 Audit	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	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	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
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	n/a	n/a	0.87	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.84	n/a	n/a	n/a	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	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
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	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
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	0.0	0.0	0.0	0.0
2012 - Verified†	0.0	0.0	0.0	0.0
2013 - Verified†	0.0	0.0	0.0	0.0
2014 - Verified†	0.0	0.0	0.0	0.0
Verified Net Annual Peak Demand Savings Persisting in 2014:				0.1
Atikokan Hydro Inc. 2014 Annual CDM Capacity Target:				0.2
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				32.5%

Table 5: Net Energy Savings at the End User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011 - Verified	0.1	0.1	0.1	0.1	0.4
2012 - Verified†	0.0	0.1	0.1	0.1	0.2
2013 - Verified†	0.0	0.0	0.0	0.0	0.1
2014 - Verified†	0.0	0.0	0.07	0.1	0.2
Verified Net Cumulative Energy Savings 2011-2014:					0.9
Atikokan Hydro Inc. 2011-2014 Annual CDM Energy Target:					1.2
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					79.1%

†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	2,973	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						Full OEB Target:				1,330,000	6,000,000,000
						Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year						% 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)
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: Atikokan Hydro 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	0	0	0	1	3,702	2,086	891	4,880
Appliance Exchange**	Appliances	0	0	0	0	69	26	0	702
HVAC Incentives	Equipment	1	0	1	2	1,622	190	1,090	3,684
Conservation Instant Coupon Booklet	Items	0	0	0	0	4,586	352	1,816	4,329
Bi-Annual Retailer Event	Items	0	0	0	1	7,140	7,757	4,364	18,649
Retailer Co-op	Items	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	0	0	0	0	0	0	0	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		2	1	1	5	17,119	10,411	8,161	32,243
Business Program									
Retrofit	Projects	0	12	0	0	0	59,380	0	0
Direct Install Lighting	Projects	0	2	9	8	0	7,836	32,832	28,317
Building Commissioning	Buildings	0	0	0	0	0	0	0	0
New Construction	Buildings	0	0	0	0	0	0	0	0
Energy Audit	Audits	0	0	0	0	0	0	0	0
Small Commercial Demand Response	Devices	0	0	0	0	0	0	0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0
Business Program Total		0	14	9	8	0	67,216	32,832	28,317
Industrial Program									
Process & System Upgrades	Projects	0	0	0	0	0	0	0	0
Monitoring & Targeting	Projects	0	0	0	0	0	0	0	0
Energy Manager	Projects	0	0	0	0	0	0	0	0
Retrofit	Projects	3	0	0	0	22,414	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0
Industrial Program Total		3	0	0	0	22,414	0	0	0
Home Assistance Program									
Home Assistance Program	Homes	0	0	0	1	0	0	0	5,318
Home Assistance Program Total		0	0	0	1	0	0	0	5,318
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	0	0	0	0	0	0	0	0
High Performance New Construction	Projects	24	0	0	0	125,131	58	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		24	0	0	0	125,131	58	0	0
Other									
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0
Time-of-Use Savings	Homes	0	0	0	8	0	0	0	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0
Other Total		0	0	0	8	0	0	0	0
Adjustments to 2011 Verified Results			0	0	0		621	0	0
Adjustments to 2012 Verified Results				0	4			5	19,366
Adjustments to 2013 Verified Results					1				54,857
Energy Efficiency Total		30	15	10	21	164,664	77,685	40,993	65,878
Demand Response Total		0	0	0	0	0	0	0	0
Adjustments to Previous Years' Verified Results Total		0	0	0	5	0	621	5	74,223
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		30	15	10	26	164,664	78,305	40,997	140,101

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 Atikokan Hydro 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	0	0	1		-77	5	1,298	
Conservation Instant Coupon Booklet	Items	0	0	0		68	0	5	
Bi-Annual Retailer Event	Items	0	0	0		630	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		0	0	1		621	5	1,303	
Business Program									
Retrofit	Projects	0	0	0		0	19,366	0	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Building Commissioning	Buildings	0	0			0	0	0	
New Construction	Buildings	0	0	0		0	0	0	
Energy Audit	Audits	0	0	0		0	0	0	
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	0	0		0	19,366	0	
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	3		0	0	55,772	
Home Assistance Program Total		0	0	3		0	0	55,772	
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	0	0	0		0	0	0	
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		0	0	0		0	0	0	
Other									
Program Enabled Savings	Projects	0	0	0		0	0	0	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		0	0	0		0	0	0	
Adjustments to 2011 Verified Results		0				621			
Adjustments to 2012 Verified Results			0				19,371		
Adjustments to 2013 Verified Results				4				57,076	
Total Adjustments to Previous Years' Verified Results		0	0	4		621	19,371	57,076	

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		48,705,294	20,581	6,028
Adjustments to 2012 Verified Results				8,632	13,449			54,301,893	59,098,939
Adjustments to 2013 Verified Results					34,727				206,413,158
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	

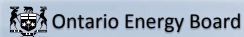
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).

*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

ATTACHMENT D



Income Tax/PILs Workform for 2017 Filers

Version 1.02

Utility Name	Atikokan Hydro Inc.
Assigned EB Number	EB-2016-0056
Name and Title	Jennifer Wiens, CEO Secretary/Treasurer
Phone Number	807-597-6600
Email Address	jen.wiens@athydro.com
Date	03-Oct-16
Last COS Re-based Year	2012

Note: Drop-down lists are shaded blue; Input cells are shaded green.

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While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.



Ontario Energy Board

Income Tax/PILs Workform for 2017 Filers

- [1. Info](#)
- [S. Summary](#)
- [A. Data Input Sheet](#)
- [B. Tax Rates & Exemptions](#)

Historical Year

- [H0 - PILs, Tax Provision Historical Year](#)
- [H1 - Adj. Taxable Income Historical Year](#)
- [H4 - Schedule 4 Loss Carry Forward Historical Year](#)
- [H8 - Schedule 8 Historical](#)
- [H10 - Schedule 10 CEC Historical Year](#)
- [H13 - Schedule 13 Tax Reserves Historical](#)

Bridge Year

- [B0 - PILs, Tax Provision Bridge Year](#)
- [B1 - Adj. Taxable Income Bridge Year](#)
- [B4 - Schedule 4 Loss Carry Forward Bridge Year](#)
- [B8 - Schedule 8 CCA Bridge Year](#)
- [B10 - Schedule 10 CEC Bridge Year](#)
- [B13 - Schedule 13 Tax Reserves Bridge Year](#)

Test Year

- [T0 PILs, Tax Provision Test Year](#)
- [T1 Taxable Income Test Year](#)
- [T4 Schedule 4 Loss Carry Forward Test Year](#)
- [T8 Schedule 8 CCA Test Year](#)
- [T13 Schedule 13 Reserve Test Year](#)

Income Tax/PILs Workform for 2017 Filers

No inputs required on this worksheet.

Inputs on Service Revenue Requirement Worksheet

The Service Revenue Requirement is in the 'Revenue Requirement Workform' - Tab 3.

Item	Working Paper Reference	
Adjustments required to arrive at taxable income	as below	-56,401
Test Year - Payments in Lieu of Taxes (PILs)	T0	10,399
Test Year - Grossed-up PILs	T0	12,234
Effective Federal Tax Rate	T0	10.5%
Effective Ontario Tax Rate	T0	4.5%
<u>Calculation of Adjustments required to arrive at Taxable Income</u>		
Regulatory Income (before income taxes)	T1	125,726
Taxable Income	T1	69,326
Difference	calculated	-56,401 as above



Income Tax/PILs Workform for 2017 Filers

		Test Year	Bridge Year
Rate Base	S	\$ 3,420,196	\$ 3,129,855
Return on Ratebase			
Deemed ShortTerm Debt %	4.00%	T \$ 136,808	$W = S * T$
Deemed Long Term Debt %	56.00%	U \$ 1,915,310	$X = S * U$
Deemed Equity %	40.00%	V \$ 1,368,078	$Y = S * V$
Short Term Interest Rate	1.65%	Z \$ 2,257	$AC = W * Z$
Long Term Interest	4.54%	AA \$ 86,955	$AD = X * AA$
Return on Equity (Regulatory Income)	9.19%	AB \$ 125,726	$AE = Y * AB$ T1
Return on Rate Base		\$ 214,939	$AF = AC + AD + AE$

Questions that must be answered

- Does the applicant have any Investment Tax Credits (ITC)?
- Does the applicant have any SRED Expenditures?
- Does the applicant have any Capital Gains or Losses for tax purposes?
- Does the applicant have any Capital Leases?
- Does the applicant have any Loss Carry-Forwards (non-capital or net capital)?
- Since 1999, has the applicant acquired another regulated applicant's assets?
- Did the applicant pay dividends?
If Yes, please describe what was the tax treatment in the manager's summary.
- Did the applicant elect to capitalize interest incurred on CWIP for tax purposes?

Historical Year	Bridge Year	Test Year
No	No	No
No	No	No
Yes	Yes	Yes
No	No	No
No	No	No
No	No	No
No	No	No



Income Tax/PILs Workform for 2017 Filers

Tax Rates

Federal & Provincial As of May 16, 2016

Federal income tax

General corporate rate

Federal tax abatement

Adjusted federal rate

Rate reduction

Federal Income Tax

Ontario income tax

Combined federal and Ontario

Federal & Ontario Small Business

Federal small business threshold

Ontario Small Business Threshold

Federal small business rate

Ontario small business rate

	Effective January 1, 2012	Effective January 1, 2013	Effective January 1, 2014	Effective January 1, 2015	Effective January 1, 2016	Effective January 1, 2017
General corporate rate	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%
Federal tax abatement	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%
Adjusted federal rate	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%
Rate reduction	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%
Federal Income Tax	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Ontario income tax	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%
Combined federal and Ontario	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
Federal small business threshold	500,000	500,000	500,000	500,000	500,000	500,000
Ontario Small Business Threshold	500,000	500,000	500,000	500,000	500,000	500,000
Federal small business rate	11.00%	11.00%	11.00%	11.00%	10.50%	10.50%
Ontario small business rate	4.50%	4.50%	4.50%	4.50%	4.50%	4.50%

Notes

- The Ontario Energy Board's proxy for taxable capital is rate base.
- Regarding the small business deduction, if applicable,
 - If taxable capital exceeds \$15 million, the small business rate will not be applicable.
 - If taxable capital is below \$10 million, the small business rate would be applicable.
 - If taxable capital is between \$10 million and \$15 million, the appropriate small business rate will be calculated.



Income Tax/PILs Workform for 2017 Filers

PILs Tax Provision - Historical Year

Note: Input the actual information from the tax returns for the historical year.

Regulatory Taxable Income
Combined Tax Rate and PILs

Ontario Tax Rate (Maximum 11.5%)
Federal tax rate (Maximum 15%)
Combined tax rate (Maximum 26.5%)

11.50%
4.35%

B
C

[H1](#)

Wires Only

\$ 262,326 A

15.85% D = B+C

\$ 41,579 E = A * D

F

\$ 9,260 G

\$ 9,260 H = F + G

\$ 32,319 I = E - H

Total Income Taxes

Investment Tax Credits
Miscellaneous Tax Credits

Total Tax Credits

Corporate PILs/Income Tax Provision for Historical Year



Income Tax/PILs Workform for 2017 Filers

Adjusted Taxable Income - Historical Year

	T2S1 line #	Total for Legal Entity	Non-Distribution Eliminations	Historic Wires Only
Income before PILs/Taxes	A	276,126		276,126
Additions:				
Interest and penalties on taxes	103			0
Amortization of tangible assets	104	180,844		180,844
Amortization of intangible assets	106			0
Recapture of capital cost allowance from Schedule 8	107			0
Gain on sale of eligible capital property from Schedule 10	108			0
Income or loss for tax purposes- joint ventures or partnerships	109			0
Loss in equity of subsidiaries and affiliates	110			0
Loss on disposal of assets	111	16,690		16,690
Charitable donations	112			0
Taxable Capital Gains	113			0
Political Donations	114			0
Deferred and prepaid expenses	116			0
Scientific research expenditures deducted on financial statements	118			0
Capitalized interest	119			0
Non-deductible club dues and fees	120			0
Non-deductible meals and entertainment expense	121	1,623		1,623
Non-deductible automobile expenses	122			0
Non-deductible life insurance premiums	123			0
Non-deductible company pension plans	124			0
Tax reserves deducted in prior year	125			0
Reserves from financial statements- balance at end of year	126			0
Soft costs on construction and renovation of buildings	127			0
Book loss on joint ventures or partnerships	205			0
Capital items expensed	206			0
Debt issue expense	208			0
Development expenses claimed in current year	212			0
Financing fees deducted in books	216			0
Gain on settlement of debt	220			0
Non-deductible advertising	226			0
Non-deductible interest	227			0
Non-deductible legal and accounting fees	228			0
Recapture of SR&ED expenditures	231			0
Share issue expense	235			0
Write down of capital property	236			0
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237			0
Other Additions				
Interest Expensed on Capital Leases	290			0
Realized Income from Deferred Credit Accounts	291			0
Pensions	292			0
Non-deductible penalties	293			0
Ontario apprenticeship tax credit	294	9,260		9,260
	295			0
ARO Accretion expense				0
Capital Contributions Received (ITA 12(1)(x))				0
Lease Inducements Received (ITA 12(1)(x))		2,000		2,000
Deferred Revenue (ITA 12(1)(a))				0
Prior Year Investment Tax Credits received				0
				0

				0
				0
				0
				0
				0
				0
				0
				0
				0
Total Additions		210,417	0	210,417
Deductions:				
Gain on disposal of assets per financial statements	401			0
Dividends not taxable under section 83	402			0
Capital cost allowance from Schedule 8	403	213,866		213,866
Terminal loss from Schedule 8	404			0
Cumulative eligible capital deduction from Schedule 10	405	634		634
Allowable business investment loss	406			0
Deferred and prepaid expenses	409			0
Scientific research expenses claimed in year	411			0
Tax reserves claimed in current year	413			0
Reserves from financial statements - balance at beginning of year	414			0
Contributions to deferred income plans	416			0
Book income of joint venture or partnership	305			0
Equity in income from subsidiary or affiliates	306			0
Other deductions: (Please explain in detail the nature of the item)				
Interest capitalized for accounting deducted for tax	390			0
Capital Lease Payments	391			0
Non-taxable imputed interest income on deferral and variance accounts	392			0
	393			0
	394			0
ARO Payments - Deductible for Tax when Paid				0
ITA 13(7.4) Election - Capital Contributions Received				0
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds				0
Deferred Revenue - ITA 20(1)(m) reserve				0
Principal portion of lease payments				0
Lease Inducement Book Amortization credit to income				0
Financing fees for tax ITA 20(1)(e) and (e.1)				0
ON apprentice credit already included in wage reduction		9,260		9,260
Revenue previously taxed		457		457
				0
				0
				0
				0
				0
Total Deductions		224,217	0	224,217
Net Income for Tax Purposes		262,326	0	262,326
Charitable donations from Schedule 2	311			0
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	320			0
Non-capital losses of preceding taxation years from Schedule 4	331			0
Net-capital losses of preceding taxation years from Schedule 4 (Please include explanation and calculation in Manager's summary)	332			0
Limited partnership losses of preceding taxation years from Schedule 4	335			0
TAXABLE INCOME		262,326	0	262,326



Ontario Energy Board

Income Tax/PILs Workform for 2017 Filers

Schedule 7-1 Loss Carry Forward - Historical

Corporation Loss Continuity and Application

	Total	Non-Distribution Portion	Utility Balance
Non-Capital Loss Carry Forward Deduction			
Actual Historical			0

[B4](#)

	Total	Non-Distribution Portion	Utility Balance
Net Capital Loss Carry Forward Deduction			
Actual Historical			0

[B4](#)

Income Tax/PILs Workform for 2017 Filers

Schedule 8 - Historical Year

Class	Class Description	UCC End of Year Historical per tax returns	Less: Non- Distribution Portion	UCC Regulated Historical Year	Working Paper Reference
1	Distribution System - post 1987	2,565,700		2,565,700	B8
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election			0	B8
2	Distribution System - pre 1988			0	B8
8	General Office/Stores Equip	40,252		40,252	B8
10	Computer Hardware/ Vehicles	62,697		62,697	B8
10.1	Certain Automobiles			0	B8
12	Computer Software			0	B8
13₁	Lease # 1			0	B8
13₂	Lease #2			0	B8
13₃	Lease # 3			0	B8
13₄	Lease # 4			0	B8
14	Franchise			0	B8
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs			0	B8
42	Fibre Optic Cable			0	B8
43.1	Certain Energy-Efficient Electrical Generating Equipment			0	B8
43.2	Certain Clean Energy Generation Equipment			0	B8
45	Computers & Systems Software acq'd post Mar 22/04	53		53	B8
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)			0	B8
47	Distribution System - post February 2005	695,342		695,342	B8
50	Data Network Infrastructure Equipment - post Mar 2007	8,794		8,794	B8
52	Computer Hardware and system software			0	B8
95	CWIP			0	B8
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
	SUB-TOTAL - UCC	3,372,838	0	3,372,838	



Income Tax/PILs Workform for 2017 Filers

Schedule 10 CEC - Historical Year

Cumulative Eligible Capital 9,063

Additions

Cost of Eligible Capital Property Acquired during Test Year				
Other Adjustments	0			
Subtotal	0	x 3/4 =	0	
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after Friday, December 20, 2002	0	x 1/2 =	0	
			0	0
Amount transferred on amalgamation or wind-up of subsidiary	0			0
Subtotal				9,063

Deductions

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year				
Other Adjustments	0			
Subtotal	0	x 3/4 =		0

Cumulative Eligible Capital Balance 9,063

Current Year Deduction 9,063 x 7% = 634

Cumulative Eligible Capital - Closing Balance 8,429

[B10](#)



Income Tax/PILs Workform for 2017

Schedule 13 Tax Reserves - Historical

Continuity of Reserves

Description	Historical Balance as per tax returns	Non-Distribution Eliminations	Utility Only	
Capital Gains Reserves ss.40(1)			0	B13
Tax Reserves Not Deducted for accounting purposes				
Reserve for doubtful accounts ss. 20(1)(l)			0	B13
Reserve for goods and services not delivered ss. 20(1)(m)			0	B13
Reserve for unpaid amounts ss. 20(1)(n)			0	B13
Debt & Share Issue Expenses ss. 20(1)(e)			0	B13
Other tax reserves			0	B13
			0	
			0	
			0	
			0	
			0	
Total	0	0	0	
Financial Statement Reserves (not deductible for Tax Purposes)				
General Reserve for Inventory Obsolescence (non-specific)			0	B13
General reserve for bad debts			0	B13
Accrued Employee Future Benefits:			0	B13
- Medical and Life Insurance			0	B13
-Short & Long-term Disability			0	B13
-Accumulated Sick Leave			0	B13
- Termination Cost			0	B13
- Other Post-Employment Benefits			0	B13
Provision for Environmental Costs			0	B13
Restructuring Costs			0	B13
Accrued Contingent Litigation Costs			0	B13
Accrued Self-Insurance Costs			0	B13
Other Contingent Liabilities			0	B13
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)			0	B13
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)			0	B13
Other			0	B13
			0	
			0	
Total	0	0	0	



Income Tax/PILs Workform for 2017 Filers

PILS Tax Provision - Bridge Year

Regulatory Taxable Income

	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate	
Ontario (Max 11.5%)	11.5%	4.5%	\$ 5,347	4.5%	B
Federal (Max 15%)	15.0%	10.5%	\$ 12,476	10.5%	C
Combined effective tax rate (Max 26.5%)					

Total Income Taxes

Investment Tax Credits
Miscellaneous Tax Credits

Total Tax Credits

Corporate PILs/Income Tax Provision for Bridge Year

Wires Only

Reference

[B1](#)\$ 118,823 **A**15.00% **D = B + C**\$ 17,823 **E = A * D****F****G**\$ - **H = F + G**\$ 17,823 **I = E - H**

Note:

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



Income Tax/PILs Workform for

Adjusted Taxable Income - Bridge Year

	T2S1 line #	Working Paper Reference	Total for Regulated Utility
Income before PILs/Taxes	A		130,230
Additions:			
Interest and penalties on taxes	103		
Amortization of tangible assets	104		180,689
Amortization of intangible assets	106		
Recapture of capital cost allowance from Schedule 8	107		
Gain on sale of eligible capital property from Schedule 10	108		
Income or loss for tax purposes- joint ventures or partnerships	109		
Loss in equity of subsidiaries and affiliates	110		
Loss on disposal of assets	111		10,440
Charitable donations	112		
Taxable Capital Gains	113		
Political Donations	114		
Deferred and prepaid expenses	116		
Scientific research expenditures deducted on financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expense	121		1,200
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves deducted in prior year	125	B13	0
Reserves from financial statements- balance at end of year	126	B13	0
Soft costs on construction and renovation of buildings	127		
Book loss on joint ventures or partnerships	205		
Capital items expensed	206		
Debt issue expense	208		
Development expenses claimed in current year	212		
Financing fees deducted in books	216		
Gain on settlement of debt	220		
Non-deductible advertising	226		
Non-deductible interest	227		
Non-deductible legal and accounting fees	228		
Recapture of SR&ED expenditures	231		
Share issue expense	235		
Write down of capital property	236		
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237		



Income Tax/PILs Workform for

Adjusted Taxable Income - Bridge Year

Other Additions			
Interest Expensed on Capital Leases	290		
Realized Income from Deferred Credit Accounts	291		
Pensions	292		
Non-deductible penalties	293		
	294		
	295		
ARO Accretion expense			
Capital Contributions Received (ITA 12(1)(x))			
Lease Inducements Received (ITA 12(1)(x))			
Deferred Revenue (ITA 12(1)(a))			
Prior Year Investment Tax Credits received			
Total Additions			192,329
Deductions:			
Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403	B8	202,689
Terminal loss from Schedule 8	404		
Cumulative eligible capital deduction from Schedule 10	405	B10	590
Allowable business investment loss	406		
Deferred and prepaid expenses	409		
Scientific research expenses claimed in year	411		
Tax reserves claimed in current year	413	B13	0
Reserves from financial statements - balance at beginning of year	414	B13	0
Contributions to deferred income plans	416		
Book income of joint venture or partnership	305		
Equity in income from subsidiary or affiliates	306		
Other deductions: (Please explain in detail the nature of the item)			



Income Tax/PILs Workform for

Adjusted Taxable Income - Bridge Year

Interest capitalized for accounting deducted for tax	390		
Capital Lease Payments	391		
Non-taxable imputed interest income on deferral and variance accounts	392		
	393		
	394		
ARO Payments - Deductible for Tax when Paid			
ITA 13(7.4) Election - Capital Contributions Received			
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds			
Deferred Revenue - ITA 20(1)(m) reserve			
Principal portion of lease payments			
Lease Inducement Book Amortization credit to income			
Financing fees for tax ITA 20(1)(e) and (e.1)			
Revenue previously taxed			457
Total Deductions		calculated	203,736
Net Income for Tax Purposes		calculated	118,823
Charitable donations from Schedule 2	311		
Taxable dividends deductible under section 112 or 113, from Schedule 3 (item 82)	320		
Non-capital losses of preceding taxation years from Schedule 4	331	B4	0
Net-capital losses of preceding taxation years from Schedule 4 (Please include explanation and calculation in Manager's summary)	332		
Limited partnership losses of preceding taxation years from Schedule 4	335		
TAXABLE INCOME		calculated	118,823



Ontario Energy Board

Income Tax/PILs Workform for 2017 Filers

Corporation Loss Continuity and Application

Schedule 4 Loss Carry Forward - Bridge Year

Non-Capital Loss Carry Forward Deduction		Total
Actual Historical	H4	0
Application of Loss Carry Forward to reduce taxable income in Bridge Year		
Other Adjustments Add (+) Deduct (-)	B1	0
Balance available for use in Test Year	calculated	0
Amount to be used in Bridge Year	B1	0
Balance available for use post Bridge Year	calculated	0

T4

Net Capital Loss Carry Forward Deduction		Total
Actual Historical	H4	0
Application of Loss Carry Forward to reduce taxable income in Bridge Year		
Other Adjustments Add (+) Deduct (-)		
Balance available for use in Test Year	calculated	0
Amount to be used in Bridge Year		
Balance available for use post Bridge Year	calculated	0

T4

Schedule 8 CCA - Bridge Year

Class	Class Description	Working Paper Reference	UCC Regulated Historical Year	Additions	Disposals (Negative)	UCC Before 1/2 Yr Adjustment	1/2 Year Rule {1/2 Additions Less Disposals}
1	Distribution System - post 1987	H8	\$ 2,565,700			\$ 2,565,700	\$ -
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	H8				\$ -	\$ -
2	Distribution System - pre 1988	H8				\$ -	\$ -
8	General Office/Stores Equip	H8	\$ 40,252	\$ 4,000		\$ 44,252	\$ 2,000
10	Computer Hardware/ Vehicles	H8	\$ 62,697	\$ 1,905		\$ 64,602	\$ 953
10.1	Certain Automobiles	H8				\$ -	\$ -
12	Computer Software	H8				\$ -	\$ -
13 1	Lease # 1	H8				\$ -	\$ -
13 2	Lease #2	H8				\$ -	\$ -
13 3	Lease # 3	H8				\$ -	\$ -
13 4	Lease # 4	H8				\$ -	\$ -
14	Franchise	H8				\$ -	\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	H8				\$ -	\$ -
42	Fibre Optic Cable	H8				\$ -	\$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment	H8				\$ -	\$ -
43.2	Certain Clean Energy Generation Equipment	H8				\$ -	\$ -
45	Computers & Systems Software acq'd post Mar 22/04	H8	\$ 53			\$ 53	\$ -
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	H8				\$ -	\$ -
47	Distribution System - post February 2005	H8	\$ 695,342	\$ 300,695		\$ 996,037	\$ 150,348
50	Data Network Infrastructure Equipment - post Mar 2007	H8	\$ 8,794			\$ 8,794	\$ -
52	Computer Hardware and system software	H8				\$ -	\$ -
95	CWIP	H8				\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
						\$ -	\$ -
	TOTAL		\$ 3,372,838	\$ 306,600	\$ -	\$ 3,679,438	\$ 153,300

Reduced UCC	Rate %	Bridge Year CCA		UCC End of Bridge Year
\$ 2,565,700	4%	\$ 102,628		\$ 2,463,072
\$ -	6%	\$ -		\$ -
\$ -	6%	\$ -		\$ -
\$ 42,252	20%	\$ 8,450		\$ 35,802
\$ 63,650	30%	\$ 19,095		\$ 45,507
\$ -	30%	\$ -		\$ -
\$ -	100%	\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -	8%	\$ -		\$ -
\$ -	12%	\$ -		\$ -
\$ -	30%	\$ -		\$ -
\$ -	50%	\$ -		\$ -
\$ 53	45%	\$ 24		\$ 29
\$ -	30%	\$ -		\$ -
\$ 845,690	8%	\$ 67,655		\$ 928,382
\$ 8,794	55%	\$ 4,837		\$ 3,957
\$ -	100%	\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ -		\$ -		\$ -
\$ 3,526,138		\$ 202,689	B1	\$ 3,476,749



Income Tax/PILs Workform for 2017 Filers

Schedule 10 CEC - Bridge Year

Cumulative Eligible Capital

Reference

[H10](#)

8,429

Additions

Cost of Eligible Capital Property Acquired during Test Year

Other Adjustments

0

Subtotal

0

x 3/4 = 0

Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after Friday, December 20, 2002

0

x 1/2 = 0

0 0

Amount transferred on amalgamation or wind-up of subsidiary

0

0

Subtotal

8,429

Deductions

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year

Other Adjustments

0

Subtotal

x 3/4 = 0

Cumulative Eligible Capital Balance

8,429

Current Year Deduction

8,429 x 7% = 590

[B1](#)

Cumulative Eligible Capital - Closing Balance

7,839

[T10](#)

Income Tax/PILs Workform for 2017 Filers

Schedule 13 Tax Reserves - Bridge Year

Continuity of Reserves

Description	Reference	Historical Utility Only	Eliminate Amounts Not Relevant for Bridge Year	Adjusted Utility Balance	Bridge Year Adjustments		Balance for Bridge Year	Change During the Year	Disallowed Expenses
					Additions	Disposals			
Capital Gains Reserves ss.40(1)	H13	0		0			0	T13	0
Tax Reserves Not Deducted for accounting purposes									
Reserve for doubtful accounts ss. 20(1)(l)	H13	0		0			0	T13	0
Reserve for goods and services not delivered ss. 20(1)(m)	H13	0		0			0	T13	0
Reserve for unpaid amounts ss. 20(1)(n)	H13	0		0			0	T13	0
Debt & Share Issue Expenses ss. 20(1)(e)	H13	0		0			0	T13	0
Other tax reserves	H13	0		0			0	T13	0
		0		0			0		0
		0		0			0		0
Total		0	0	0	B1	0	0	B1	0
Financial Statement Reserves (not deductible for Tax Purposes)									
General Reserve for Inventory Obsolescence (non-specific)	H13	0		0			0	T13	0
General reserve for bad debts	H13	0		0			0	T13	0
Accrued Employee Future Benefits:	H13	0		0			0	T13	0
- Medical and Life Insurance	H13	0		0			0	T13	0
- Short & Long-term Disability	H13	0		0			0	T13	0
- Accumulated Sick Leave	H13	0		0			0	T13	0
- Termination Cost	H13	0		0			0	T13	0
- Other Post-Employment Benefits	H13	0		0			0	T13	0
Provision for Environmental Costs	H13	0		0			0	T13	0
Restructuring Costs	H13	0		0			0	T13	0
Accrued Contingent Litigation Costs	H13	0		0			0	T13	0
Accrued Self-Insurance Costs	H13	0		0			0	T13	0
Other Contingent Liabilities	H13	0		0			0	T13	0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	H13	0		0			0	T13	0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	H13	0		0			0	T13	0
Other	H13	0		0			0	T13	0
		0		0			0		0
		0		0			0		0
Total		0	0	0	B1	0	0	B1	0

Income Tax/PILs Workform for 2017 Filers

PILs Tax Provision - Test Year

Regulatory Taxable Income

	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate	
Ontario (Max 11.5%)	11.5%	4.5%	\$ 3,120	4.5%	B
Federal (Max 15%)	15.0%	10.5%	\$ 7,279	10.5%	C

Combined effective tax rate (Max 26.5%)

Total Income Taxes

Investment Tax Credits
Miscellaneous Tax Credits

Total Tax Credits

Corporate PILs/Income Tax Provision for Test Year

Corporate PILs/Income Tax Provision Gross Up ¹

Income Tax (grossed-up)

Note:

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

Wires Only

T1 \$ 69,326 **A**

15.00% **D = B + C**

\$ 10,399 **E = A * D**

F

G

\$ - **H = F + G**

\$ 10,399 **I = E - H** [S. Summary](#)

85.00% **J = 1-D** \$ 1,835 **K = I/J-I**

\$ 12,234 **L = K + I** [S. Summary](#)



Income Tax/PILs Workform for

Taxable Income - Test Year

	Working Paper Reference	Test Year Taxable Income
Net Income Before Taxes	<u>A.</u>	125,726

	T2 S1 line #		
Additions:			
Interest and penalties on taxes	103		
Amortization of tangible assets 2-4 ADJUSTED ACCOUNTING DATA P489	104		197,470
Amortization of intangible assets 2-4 ADJUSTED ACCOUNTING DATA P490	106		
Recapture of capital cost allowance from Schedule 8	107		
Gain on sale of eligible capital property from Schedule 10	108		
Income or loss for tax purposes- joint ventures or partnerships	109		
Loss in equity of subsidiaries and affiliates	110		
Loss on disposal of assets	111		7,000
Charitable donations	112		
Taxable Capital Gains	113		
Political Donations	114		
Deferred and prepaid expenses	116		
Scientific research expenditures deducted on financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expense	121		1,200
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves beginning of year	125	T13	0
Reserves from financial statements- balance at end of year	126	T13	0
Soft costs on construction and renovation of buildings	127		
Book loss on joint ventures or partnerships	205		
Capital items expensed	206		
Debt issue expense	208		
Development expenses claimed in current year	212		
Financing fees deducted in books	216		
Gain on settlement of debt	220		
Non-deductible advertising	226		
Non-deductible interest	227		
Non-deductible legal and accounting fees	228		
Recapture of SR&ED expenditures	231		
Share issue expense	235		
Write down of capital property	236		

Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237		
<i>Other Additions: (please explain in detail the nature of the item)</i>			
Interest Expensed on Capital Leases	290		
Realized Income from Deferred Credit Accounts	291		
Pensions	292		
Non-deductible penalties	293		
	294		
	295		
	296		
	297		
ARO Accretion expense			
Capital Contributions Received (ITA 12(1)(x))			
Lease Inducements Received (ITA 12(1)(x))			
Deferred Revenue (ITA 12(1)(a))			
Prior Year Investment Tax Credits received			
Total Additions			205,670
Deductions:			
Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403	<u>T8</u>	261,065
Terminal loss from Schedule 8	404		
Cumulative eligible capital deduction from Schedule 10 CEC	405	<u>T10</u>	549
Allowable business investment loss	406		
Deferred and prepaid expenses	409		
Scientific research expenses claimed in year	411		
Tax reserves end of year	413	<u>T13</u>	0
Reserves from financial statements - balance at beginning of year	414	<u>T13</u>	0
Contributions to deferred income plans	416		
Book income of joint venture or partnership	305		
Equity in income from subsidiary or affiliates	306		
<i>Other deductions: (Please explain in detail the nature of the item)</i>			
Interest capitalized for accounting deducted for tax	390		
Capital Lease Payments	391		

Non-taxable imputed interest income on deferral and variance accounts	392		
	393		
	394		
	395		
	396		
	397		
ARO Payments - Deductible for Tax when Paid			
ITA 13(7.4) Election - Capital Contributions Received			
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds			
Deferred Revenue - ITA 20(1)(m) reserve			
Principal portion of lease payments			
Lease Inducement Book Amortization credit to income			
Financing fees for tax ITA 20(1)(e) and (e.1)			
Revenue previously taxed			457
Total Deductions		calculated	262,071
NET INCOME FOR TAX PURPOSES		calculated	69,326
Charitable donations	311		
Taxable dividends received under section 112 or 113	320		
Non-capital losses of preceding taxation years from Schedule 7-1	331	T4	0
Net-capital losses of preceding taxation years (Please show calculation)	332		
Limited partnership losses of preceding taxation years from Schedule 4	335		
REGULATORY TAXABLE INCOME		calculated	69,326

T0



Ontario Energy Board

Income Tax/PILs Workform for 2017 Filers

Schedule 7-1 Loss Carry Forward - Test Year

Corporation Loss Continuity and Application

	Working Paper Reference	Total	Non-Distribution Portion	Utility Balance
Non-Capital Loss Carry Forward Deduction				
Actual/Estimated Bridge Year	<u>B4</u>	0		0
				0
Other Adjustments Add (+) Deduct (-)	<u>T1</u>	0		0
Balance available for use in Future Years	calculated	0	0	0
Amount to be used in Test Year	<u>T1</u>	0		0
Balance available for use post Test Year	calculated	0	0	0

		Total	Non-Distribution Portion	Utility Balance
Net Capital Loss Carry Forward Deduction				
Actual/Estimated Bridge Year	<u>B4</u>	0		0
				0
Other Adjustments Add (+) Deduct (-)				0
Balance available for use in Future Years	calculated	0	0	0
Amount to be used in Test Year				0
Balance available for use post Test Year	calculated	0	0	0

Income Tax/PILs Workform for 2017 Filers

Schedule 8 CCA - Test Year

Class	Class Description	Working Paper Reference	UCC Test Year Opening Balance	Additions	Disposals (Negative)	UCC Before 1/2 Yr Adjustment
1	Distribution System - post 1987	B8	\$ 2,463,072			\$ 2,463,072
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	B8	\$ -			\$ -
2	Distribution System - pre 1988	B8	\$ -			\$ -
8	General Office/Stores Equip	B8	\$ 35,802	\$ 4,000		\$ 39,802
10	Computer Hardware/ Vehicles	B8	\$ 45,507	\$ 360,000		\$ 405,507
10.1	Certain Automobiles	B8	\$ -			\$ -
12	Computer Software	B8	\$ -			\$ -
13 1	Lease # 1	B8	\$ -			\$ -
13 2	Lease #2	B8	\$ -			\$ -
13 3	Lease # 3	B8	\$ -			\$ -
13 4	Lease # 4	B8	\$ -			\$ -
14	Franchise	B8	\$ -			\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than E	B8	\$ -			\$ -
42	Fibre Optic Cable	B8	\$ -			\$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment	B8	\$ -			\$ -
43.2	Certain Clean Energy Generation Equipment	B8	\$ -			\$ -
45	Computers & Systems Software acq'd post Mar 22/04	B8	\$ 29			\$ 29
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	B8	\$ -			\$ -
47	Distribution System - post February 2005	B8	\$ 928,382	\$ 271,740		\$ 1,200,122
50	Data Network Infrastructure Equipment - post Mar 2007	B8	\$ 3,957			\$ 3,957
52	Computer Hardware and system software	B8	\$ -			\$ -
95	CWIP	B8	\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
			\$ -			\$ -
	TOTAL		\$ 3,476,749	\$ 635,740	\$ -	\$ 4,112,489

1/2 Year Rule (1/2 Additions Less Disposals)	Reduced UCC	Rate %	Test Year CCA		UCC End of Test Year
\$ -	\$ 2,463,072	4%	\$ 98,523		\$ 2,364,549
\$ -	\$ -	6%	\$ -		\$ -
\$ -	\$ -	6%	\$ -		\$ -
\$ 2,000	\$ 37,802	20%	\$ 7,560		\$ 32,241
\$ 180,000	\$ 225,507	30%	\$ 67,652		\$ 337,855
\$ -	\$ -	30%	\$ -		\$ -
\$ -	\$ -	100%	\$ -		\$ -
\$ -	\$ -		\$ -		\$ -
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\$ -	\$ 29	45%	\$ 13		\$ 16
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\$ 135,870	\$ 1,064,252	8%	\$ 85,140		\$ 1,114,982
\$ -	\$ 3,957	55%	\$ 2,177		\$ 1,781
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\$ 317,870	\$ 3,794,619		\$ 261,065	<u>I1</u>	\$ 3,851,424



Income Tax/PILs Workform for 2016 Filers

Schedule 10 CEC - Test Year

Cumulative Eligible Capital

[B10](#) 7,839

Additions

Cost of Eligible Capital Property Acquired during Test Year

Other Adjustments

0

Subtotal 0

x 3/4 = 0

Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an ECP to the Corporation after Friday, December 20, 2002

0

x 1/2 = 0

0 0

Amount transferred on amalgamation or wind-up of subsidiary

0

0

Subtotal 7,839

Deductions

Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year

0

Other Adjustments

0

Subtotal 0

x 3/4 = 0

Cumulative Eligible Capital Balance **7,839**

Current Year Deduction (Carry Forward to Tab "Test Year Taxable Income") **7,839** x 7% = **549**

Cumulative Eligible Capital - Closing Balance **7,290**

[T1](#)

Income Tax/PILs Workform for 2017 Filers

Schedule 13 Tax Reserves - Test Year

Continuity of Reserves

Description	Working Paper Reference	Bridge Year	Eliminate Amounts Not Relevant for Bridge Year	Adjusted Utility Balance	Test Year Adjustments		Balance for Test Year	Change During the Year	Disallowed Expenses
					Additions	Disposals			
Capital Gains Reserves ss.40(1)	B13	0		0			0		0
Tax Reserves Not Deducted for accounting purposes									
Reserve for doubtful accounts ss. 20(1)(l)	B13	0		0	0	0	0		0
Reserve for goods and services not delivered ss. 20(1)(m)	B13	0		0			0		0
Reserve for unpaid amounts ss. 20(1)(n)	B13	0		0			0		0
Debt & Share Issue Expenses ss. 20(1)(e)	B13	0		0			0		0
Other tax reserves	B13	0		0			0		0
		0		0			0		0
		0		0			0		0
Total		0	0	0	I1	0	0	I1	0
Financial Statement Reserves (not deductible for Tax Purposes)									
General Reserve for Inventory Obsolescence (non-specific)	B13	0		0			0		0
General reserve for bad debts	B13	0		0			0		0
Accrued Employee Future Benefits:	B13	0		0			0		0
- Medical and Life Insurance	B13	0		0			0		0
- Short & Long-term Disability	B13	0		0			0		0
- Accumulated Sick Leave	B13	0		0			0		0
- Termination Cost	B13	0		0			0		0
- Other Post-Employment Benefits	B13	0		0			0		0
Provision for Environmental Costs	B13	0		0			0		0
Restructuring Costs	B13	0		0			0		0
Accrued Contingent Litigation Costs	B13	0		0			0		0
Accrued Self-Insurance Costs	B13	0		0			0		0
Other Contingent Liabilities	B13	0		0			0		0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	B13	0		0			0		0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	B13	0		0			0		0
Other	B13	0		0			0		0
		0		0			0		0
		0		0			0		0
Total		0	0	0	I1	0	0	I1	0