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Overview of Cost Trends

Ex.4/Tab 1/Sch.1 - Overview of Operating Expenses

Operating, Maintenance and Administrative (“OM&A”) expenses included in the calculation of the Rideau St. Lawrence Distribution Inc. (“RSL”) 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 to benefit customers.

In this Exhibit, the operating costs consist of the required expenditures necessary to maintain and operate RSL’s distribution system assets, the costs associated with metering, billing, collecting from its customers, the costs associated with ensuring safety for all stakeholders (public and employees) and costs to maintain the distribution business service quality and reliability standards with the regulating bodies.

RSL’s existing rates are based on the Board-approved rates set in 2012 following a cost of service rate application, and adjustments to its base distribution rates in 2013-2015 under the Board’s third Generation Incentive Regulation Mechanism (“IRM”).

As shown in Table 4.1, RSL’s increase in OM&A spending from its 2012 Cost of Service to the 2016 Test Year amounts to \$362,787 or 19.93% over the last 5 years. It should be noted that the OM&A originally requested during the 2012 Cost of Service Application was \$1,891,728. The 5-year variance with the original request is 15.39%.

Based on a cost of living (inflation) rate of 2%, \$150,000 of the variance can be attributed to inflation. The other major factors impacting on OM&A are Wages and Benefits (\$90,000), Bad Debts (\$40,000), MDM/R costs (\$25,000), and Customer Satisfaction/ ESA surveys (\$25,000).

Cost of living is based on an inflation rate of 2% as published by the Bank of Canada, a well-known, reliable and widely used source in establishing inflation rates.

RSL is proposing an OM&A amount of \$2,182,787 for the 2016 Test Year, which represents an increase of 19.93% over the amount approved in the 2012 application.

Table 4.1: 2012 Board Approved vs. 2016 Test Year

	2012 Board Approved	2016 Test	Variance From Board Approved
Operations	298,000	311,123	13,123
Maintenance	395,500	399,157	3,657
Billing and Collecting	376,500	544,820	168,320
Community Relations	-	26,597	26,597
Administrative and General (includes LEAP)	750,000	901,089	151,089
Total OM&A Expenses	1,820,000	2,182,787	362,787
Percent Change (year over year)		19.93%	

Table 4.2 OEB Appendix 2-JA below shows a summary of RSL's OM&A costs as required by the OEB's filing guidelines.

Table 4.2: OEB Appendix 2-JA – Summary of Recoverable OM&A Expenses

	Last Rebasing Year (2012 Board- Approved)	Last Rebasing Year (2012 Actuals)	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year
Reporting Basis						
Operations	\$ 219,000	\$ 221,842	\$ 172,502	\$ 202,676	\$ 282,485	\$ 311,123
Maintenance	\$ 395,500	\$ 355,486	\$ 442,916	\$ 377,142	\$ 400,282	\$ 399,157
SubTotal	\$ 614,500	\$ 577,328	\$ 615,418	\$ 579,818	\$ 682,767	\$ 710,281
%Change (year over year)			6.6%	-5.8%	17.8%	4.0%
%Change (Test Year vs Last Rebasing Year - Actual)						23.0%
Billing and Collecting	\$ 455,500	\$ 536,107	\$ 526,500	\$ 553,160	\$ 531,696	\$ 544,820
Community Relations	\$ -	\$ 1,507	\$ 4,374	\$ 6,146	\$ 6,464	\$ 26,597
Administrative and General	\$ 750,000	\$ 728,523	\$ 731,260	\$ 823,768	\$ 901,392	\$ 901,089
SubTotal	\$ 1,205,500	\$ 1,266,136	\$ 1,262,134	\$ 1,383,074	\$ 1,439,552	\$ 1,472,506
%Change (year over year)			-0.3%	9.6%	4.1%	2.3%
%Change (Test Year vs Last Rebasing Year - Actual)						16.3%
Total	\$ 1,820,000	\$ 1,843,464	\$ 1,877,551	\$ 1,962,892	\$ 2,122,319	\$ 2,182,787
%Change (year over year)			1.8%	4.5%	8.1%	2.8%

Summary and Cost Driver Tables

Ex.4/Tab 2/Sch.1 - Cost Driver Tables

In accordance with the OEB's minimum filing requirements, Table 4.3 OEB Appendix 2-JB, below, outlines the key drivers of OM&A costs over the 2012 to 2016 period.

Operations and Maintenance expenses include all costs related to the operation and maintenance of the RSL distribution system which are necessary in order to keep the distribution system in a state of good repair. The work typically involves inspection, testing, cleaning, and verification activities. This includes both direct labour costs and non-capital material spending to support both scheduled and reactive maintenance events.

RSL strives to provide safe, reliable service while minimizing the life cycle costs of assets by doing predictive and preventative work. Maintenance work also helps to identify those areas that require capital investments. RSL is then able to adjust its capital spending priorities to address these matters. This process is described in more detail in RSL's Distribution System Plan, found at Ex.2/Tab 5/Sch.2.

RSL places a high priority on the upkeep and replacement of its aging infrastructure. Asset management leads to increases in operational costs. Distribution equipment that was placed in service over 50 years ago, in many cases, has reached its normal useful life. Therefore RSL is faced with the ongoing replacement of this aging infrastructure. Customer expectations for reliability have increased over time, requiring a solid base of well-maintained distribution infrastructure. Investment in replacement equipment along with its associated operational costs has become a continuous reality for RSL as it commits to satisfying essential community needs.

Table 4.3: OEB Appendix 2-JB - Recoverable OM&A Cost Driver Table

OM&A	Last Rebasing Year (2012 Actuals)	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year
Reporting Basis	MIFRS				
Opening Balance	\$ 1,820,000	\$ 1,843,464	\$ 1,877,551	\$ 1,962,892	\$ 2,122,319
Staffing (payroll and benefits)	-\$ 82,472	\$ 12,405	\$ 58,016	\$ 191,328	-\$ 8,741
Third Party Service Providers	\$ 32,857	\$ 6,734	\$ 49,616	-\$ 51,117	\$ 36,290
Regulatory	-\$ 7,559	\$ 13,465	\$ 1,944	\$ 718	\$ 1,152
Bad Debts	-\$ 1,851	\$ 57,139	\$ 7,703	-\$ 24,590	\$ 7,405
Smart Meter Communications/MDMR	\$ 58,617	-\$ 90,821	\$ 19,373	\$ 4,652	\$ 2,578
Vegetation Management	\$ 8,470	\$ 10,228	-\$ 17,048	-\$ 7,750	\$ 70
Training	\$ 18,407	\$ 8,105	-\$ 12,588	\$ 6,448	\$ 812
PCB Transformer Removal	-\$ 9,600	\$ 8,000	-\$ 25,000	\$ -	\$ 20,000
Meetings/Travel	\$ 15,070	\$ 10,381	-\$ 1,003	\$ 8,445	-\$ 2,003
Joint Use of Poles	\$ 16,279	-\$ 15,362	\$ -	-\$ 229	\$ 114
Use of Utilities Company assets	-\$ 11,474	\$ 2,656	\$ 18,340	\$ 19,999	\$ 4,991
Insurance	-\$ 8,691	\$ 2,630	\$ 1,941	-\$ 1,114	\$ 699
Other	-\$ 4,589	\$ 8,527	-\$ 15,953	\$ 12,637	-\$ 2,899
Closing Balance	\$ 1,843,464	\$ 1,877,551	\$ 1,962,892	\$ 2,122,319	\$ 2,182,787

Cost Drivers over the Material Variance

Labour costs have increased by \$170,537, or 16% from the amount included in the 2012 Cost of Service application. The increase is largely due to negotiated pay rate changes included in the union contract. In addition, employees in the line crew, billing, and administrative groups have had pay increases due to their advancement in classification levels.

The Full Time Equivalent Employee count ("FTEE") has increased from 14.43 in the last rate application to 15.28 in this application. In its Operations department, RSL has added a co-op position for half of a year. This position works with RSL's line crew. Small FTEE increases appear in Billing, partially due to overtime worked, but also because of temporary help hired to work during the Christmas holidays.

Outside services has increased by \$71,628, or 23% since RSL's last rate application. Inflation accounts for approximately \$26,000 of the increase. Postage costs have been increased by an additional \$10,000 in 2016 to reflect the impact of monthly billing. Currently, one third of RSL's customers are billed on a bi-monthly basis. Changing to monthly billing will have an impact on RSL's costs.

Several new costs are being reflected in Community Relations. RSL is including \$10,000 as an annual amount for the Customer Satisfaction Survey. The ESA survey has been added, at an annual cost of \$5,000. RSL conducts a School Safety Program every 3 years, at a cost of

\$15,000. RSL has included one third (\$5,000) in its application. RSL has added an expense for the management of our customer portal. This provides our customers to access their account and consumption data through our website.

In accordance with the OEB's minimum filing requirements, OEB Appendix 2-JB, below, outlines the key drivers of OM&A costs over the 2012 to 2016 period.

Table 4.4: OEB Appendix 2-JC - OM&A Programs Table

	Last Rebasings Year (2012 Board- Approved)	Last Rebasings Year (2012 Actuals)	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year	Variance (Test Year vs. 2014 Actuals)	Variance (Test Year vs. Last Rebasings Year (2012 Board-Approved))
Programs								
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS		
Customer Focus								
Billing and Customer Service	348,939	395,068	347,565	355,175	350,135	353,998	-1,177	5,059
Bad Debts	39,600	37,749	94,888	87,185	62,595	70,000	-17,185	30,400
Community Relations and LEAP	3,400	4,973	7,874	9,646	9,964	30,097	20,451	26,697
Collecting	33,680	51,136	48,276	56,153	54,431	56,088	-65	22,408
							0	0
Sub-Total	425,619	488,926	498,603	508,159	477,125	510,183	2,024	84,564
Operational Effectiveness								
							0	0
Overhead Maintenance	341,161	335,755	384,443	299,192	448,600	431,342	132,150	90,180
Underground Maintenance	25,505	24,525	29,330	47,973	41,902	41,547	-6,426	16,042
Engineering and Supervision	96,647	94,676	95,172	99,511	64,354	108,887	9,376	12,240
Education, Health & Safety	0	33,477	51,963	38,372	44,624	42,897	4,525	42,897
Substation Maintenance	68,795	52,233	43,786	75,831	45,433	45,075	-30,756	-23,720
Fleet Costs	61,365	54,008	55,843	59,765	59,947	62,019	2,254	654
Building Maintenance	27,700	32,918	34,396	41,750	50,467	52,441	10,691	24,741
Vegetation Maintenance	9,600	18,070	28,298	11,250	3,500	3,570	-7,680	-6,030
Administrative and Financial	575,765	556,358	498,046	602,590	680,910	674,133	71,543	98,368
Meter Maintenance and Reading	57,296	44,362	29,808	42,040	72,942	73,025	30,985	15,730
							0	0
Sub-Total	1,263,834	1,246,382	1,251,085	1,318,274	1,512,678	1,534,936	216,662	271,102
Public and Regulatory Responsiveness								
							0	0
Governance	40,000	38,813	38,757	43,015	42,974	43,764	749	3,764
Regulatory Compliance	45,393	37,834	51,299	53,243	53,961	55,113	1,870	9,720
Legal	4,954		3,668	4,122	615	3,127	-995	-1,827
Liability and Property Insurance	40,200	31,509	34,139	36,079	34,965	35,664	-415	-4,536
							0	0
							0	0
							0	0
							0	0
Sub-Total	130,547	108,156	127,863	136,459	132,516	137,669	1,210	7,122
Program Name #4								
							0	0
							0	0
							0	0
							0	0
							0	0
Sub-Total	0	0	0	0	0	0	0	0
Program Name #5								
							0	0
							0	0
							0	0
							0	0
							0	0
Sub-Total	0	0	0	0	0	0	0	0
Miscellaneous								
							0	0
Total	1,820,000	1,843,464	1,877,551	1,962,892	2,122,319	2,182,787	219,895	362,787

Ex.4/Tab 2/Sch.2 - OM&A Variance Analysis

Table 4.5 below shows the year over year variance of OM&A expenses from 2012 Board Approved to 2016. A variance analysis of expenses follows the table. The materiality threshold for RSL is \$50,000, but for the purpose of transparency, RSL has explained some variances that are below the threshold.

Table 4.5: Summary of Recoverable OM&A Expenses (App. 2-JA)

	Last Rebasement Year (2012 Board- Approved)	Last Rebasement Year (2012 Actuals)	Variance 2012 BA – 2012 Actuals	2013 Actuals	Variance 2013 Actuals vs. 2012 Actuals	2014 Actuals	Variance 2014 Actuals vs. 2013 Actuals	2015 Bridge Year	Variance 2015 Bridge vs. 2014 Actuals	2016 Test Year	Variance 2016 Test vs. 2015 Bridge
Operations	\$ 219,000	\$ 221,842	\$ 2,842	\$ 172,502	\$ 49,341	\$ 202,676	\$ 30,174	\$ 282,485	\$ 79,809	\$ 311,123	\$ 28,639
Maintenance	\$ 395,500	\$ 355,486	\$ 40,014	\$ 442,916	\$ 87,430	\$ 377,142	\$ 65,774	\$ 400,282	\$ 23,140	\$ 399,157	\$ 1,125
Billing and Collecting	\$ 455,500	\$ 536,107	\$ 80,607	\$ 526,500	\$ 9,607	\$ 553,160	\$ 26,660	\$ 531,696	\$ 21,464	\$ 544,820	\$ 13,124
Community Relations	\$ -	\$ 1,507	\$ 1,507	\$ 4,374	\$ 2,867	\$ 6,146	\$ 1,772	\$ 6,464	\$ 318	\$ 26,597	\$ 20,133
Administrative and General	\$ 750,000	\$ 728,523	\$ 21,477	\$ 731,260	\$ 2,737	\$ 823,768	\$ 92,508	\$ 901,392	\$ 77,624	\$ 901,089	\$ 303
Total OM&A Expenses	\$ 1,820,000	\$ 1,843,464	\$ 23,464	\$ 1,877,551	\$ 34,087	\$ 1,962,892	\$ 85,341	\$ 2,122,319	\$ 159,426	\$ 2,182,787	\$ 60,468
Adjustments for Total non-recoverable items (from Appendices 2-JA and 2-JB)											
Total Recoverable OM&A Expenses	\$ 1,820,000	\$ 1,843,464	\$ 23,464	\$ 1,877,551	\$ 34,087	\$ 1,962,892	\$ 85,341	\$ 2,122,319	\$ 159,426	\$ 2,182,787	\$ 60,468
Variance from previous year				\$ 34,087		\$ 85,341		\$ 159,426		\$ 60,468	
Percent change (year over year)				2%		5%		8%		3%	
Percent Change: Test year vs. Most Current Actual						11.20%					

2012 Board Approved vs. 2012 Actual

Table 4.6: 2012 Board Approved vs. 2012 Actual

	2012 Board Approved	2012 Actual	Variance From Board Approved
Operations	219,000	221,842	2,842
Maintenance	395,500	355,486	(40,014)
Billing and Collecting	455,500	536,107	80,607
Community Relations	-	1,507	1,507
Administrative and General (includes LEAP)	750,000	728,523	(21,477)
Total OM&A Expenses	1,820,000	1,843,464	23,464
Percent Change (year over year)		1.29%	

2012 Actual OM&A is very close to the Board Approved envelope for OM&A.

2012 Actual vs. 2013 Actual

Table 4.7: 2012 Actual vs. 2013 Actual

	2012 Actual	2013 Actual	Variance From 2012 Actual
Operations	221,842	172,502	(49,341)
Maintenance	355,486	442,916	87,430
Billing and Collecting	536,107	526,500	(9,607)
Community Relations	1,507	4,374	2,867
Administrative and General (includes LEAP)	728,523	731,260	2,737
Total OM&A Expenses	1,843,464	1,877,551	34,087
Percent Change (year over year)		1.85%	

2013 OM&A, as shown in Table 4.7, has an overall increase of 1.85% over 2012. However, this percentage has been affected by the smart meter disposition of 2012. If the reduction related to the disposition is removed, the combined variance for Billing and Collecting is an increase of \$72,248. Most of this variance is due to an increase in Bad Debts expense, which was higher by \$57,000.

O&M combined has an increase of \$34,087. The main cause of the increase is the labour cost for two linemen who were hired in 2012, filling vacancies for these positions. The LDC incurred a full year of expense in 2013.

2013 Actual vs. 2014 Actual

Table 4.8: 2013 Actual vs. 2014 Actual

	2013 Actual	2014 Actual	Variance From 2013 Actual
Operations	172,502	202,676	30,174
Maintenance	442,916	377,142	(65,774)
Billing and Collecting	526,500	553,160	26,660
Community Relations	4,374	6,146	1,772
Administrative and General (includes LEAP)	731,260	823,768	92,508
Total OM&A Expenses	1,877,551	1,962,892	85,341
Percent Change (year over year)		4.55%	

2014 OM&A increased by \$85,341, or 4.55% over 2013, as shown in Table 4.8.

O&M decreased by a combined amount of \$35,600. The biggest reason for the decrease is for the accrual of PCB transformer disposals. In 2013, RSL accrued \$25,000. There was no accrual in 2014.

Billing and Collecting costs increased due to two factors. RSL began to be billed for software and hardware maintenance for the collection of smart meter data, and the cost in 2014 was \$16,000. Salaries increased, due to staff advancing to a higher pay grade, increased overtime, and the hiring of additional customer service staff over the Christmas holidays.

Administrative costs increased \$92,508, and there are several reasons. Salaries increased, as RSL hired a Regulatory Analyst (5 months). There was also a retroactive pay increase for an administrative employee. Outside services increased due to a School Education Program that is held every three years. The cost was \$15,000. A new union contract was signed in 2014, and costs were incurred for negotiations assistance in the amount of \$9,000. RSL's Utilities company began a building expansion project in 2014, and the impact on the Utilities company fixed assets increased the Corporate Charge to RSL by \$18,000.

2014 Actual vs. 2015 Actual

Table 4.9: 2014 Actual vs. 2015 Actual

	2014 Actual	2015 Actual	Variance From 2014 Actual
Operations	202,676	282,485	79,809
Maintenance	377,142	400,282	23,140
Billing and Collecting	553,160	531,696	(21,464)
Community Relations	6,146	6,464	318
Administrative and General (includes LEAP)	823,768	901,392	77,624
Total OM&A Expenses	1,962,892	2,122,319	159,426
Percent Change (year over year)		8.12%	

2015 OM&A increased by \$159,426, or 8.12% over 2014. The increase was larger than usual, and is due to several factors.

O&M has increased by a combined amount of \$102,949. The increase is due to an increase in staffing for RSL's line crew. The company added one full time person.

Billing and Collecting has decreased by \$21,464, and is primarily due to a reduction in our Bad Debts expense. We discovered that a prior year HST recovery had not been recorded, providing a one-year expense reduction of \$15,000.

Administrative costs increased by \$77,264. Of that amount, \$38,000 is the additional cost of having the Regulatory Analyst for an entire year, as compared with 5 months in 2014. The building expansion project was completed, increasing the charge from the Utilities company to the RSL by \$20,000.

2015 Actual vs. 2016 Test

Table 4.10: 2015 Actual vs. 2016 Test

	2015 Actual	2016 Test	Variance From 2015 Actual
Operations	282,485	311,123	28,639
Maintenance	400,282	399,157	(1,125)
Billing and Collecting	531,696	544,820	13,124
Community Relations	6,464	26,597	20,133
Administrative and General (includes LEAP)	901,392	901,089	(303)
Total OM&A Expenses	2,122,319	2,182,787	60,468
Percent Change (year over year)		2.85%	

For 2016, RSL proposes OM&A of \$2,182,787, an increase of \$60,468 over 2015.

O&M increases by \$27,514 primarily due to the predicted increase in the percentage of labour costs being allocated to expense.

Billing and Collecting is higher, due to an increase in Bad Debts. The expense for 2015 was artificially low, due to the claim for HST recovery from the previous year. RSL has set the bad debt expense at \$70,000, an increase of \$8,000. This is RSL's average Bad Debt expense, 2012-2015.

Community Relations has a large increase. RSL is including 50% of the costs to conduct both Customer Satisfaction and Electrical Safety surveys. One third of the cost of our three-year School Safety Program has also been included.

OEB Appendix 2-L Recoverable OM&A Cost per Customer and per FTE below, outlines the cost per customer per full time employee. This information is provided for the 2012 to 2016 period, in accordance with the OEB's minimum filing requirements.

Table 4.11: OEB Appendix 2-L – Recoverable OM&A Cost per Customer and per FTE

	Last Rebasings Year - 2012- Board Approved	Last Rebasings Year - 2012- Actual	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year
Reporting Basis	MIFRS	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS
Number of Customers ^{2,4}	7,693	7,688	7,701	7,702	7,703	7,714
Total Recoverable OM&A from Appendix 2-JB	\$ 1,820,000	\$ 1,843,464	\$ 1,877,551	\$ 1,962,892	\$ 2,122,319	\$ 2,182,787
OM&A cost per customer	\$ 236.58	\$ 239.78	\$ 243.81	\$ 254.87	\$ 275.52	\$ 282.97
Number of FTEs ^{3,4}	14.43	13.05	13.00	13.10	15.34	15.28
Customers/FTEs	533.13	589.12	592.38	587.90	502.15	504.83
OM&A Cost per FTE	126,126.13	141,261.63	144,427.03	149,839.09	138,351.93	142,852.53

As shown in Table 4.11 above, the OM&A costs per customer in the Test Year has increased since the 2012 Board Approved costs. Although the number of RSL customers has and is expected to grow very slowly, investments in its infrastructure (repairs and maintenance) are still required.

According to the OEB's published "total cost per customer", from "Electricity Distributor Performance Data, Reports and Regulatory Information", RSL at \$548 in 2015 was below the provincial average of \$661 per customer.

Appendix 2-D, shown in Table 4.12, provides details of amounts that have been capitalized for overhead. RSL capitalizes Labour Benefits and Vehicle costs. The capitalization policy has not changed since the last Cost of Service application in 2012.

Table 4.12: OEB Appendix 2-D – Overhead Expense

OM&A Before Capitalization	2012 Historical Year	2013 Historical Year	2014 Historical Year	2015 Bridge Year	2016 Test Year
Operations	\$ 250,263	\$ 129,377	\$ 152,267	\$ 202,642	\$ 218,728
Maintenance	\$ 258,822	\$ 311,684	\$ 263,329	\$ 230,083	\$ 262,759
Billing and Collecting	\$ 390,470	\$ 452,002	\$ 471,906	\$ 449,686	\$ 466,134
Community Relations	\$ 5,007	\$ 7,874	\$ 6,146	\$ 6,464	\$ 26,597
Administrative and General	\$ 595,354	\$ 593,002	\$ 680,672	\$ 728,809	\$ 740,731
Fleet	\$ 62,287	\$ 57,445	\$ 54,169	\$ 89,334	\$ 61,804
Human Resources (burden)	\$ 330,692	\$ 384,344	\$ 373,945	\$ 452,248	\$ 454,574
Total OM&A Before Capitalization (B)	\$ 1,892,895	\$ 1,935,728	\$ 2,002,434	\$ 2,159,265	\$ 2,231,328

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 Bridge Year	2016 Test Year
Payroll Benefits	\$ 28,924	\$ 37,902	\$ 26,531	\$ 22,774	\$ 29,921
Fleet	\$ 20,730	\$ 20,275	\$ 16,511	\$ 14,173	\$ 18,620
Total Capitalized OM&A (A)	\$ 49,654	\$ 58,177	\$ 43,042	\$ 36,946	\$ 48,541
% of Capitalized OM&A (=A/B)	3%	3%	2%	2%	2%

Program Delivery Costs with Variance Analysis

Ex.4/Tab 3/Sch.1 - Program Overview

The following section describes programs which RSL is in the process of adopting. The categorization of USoA account/functions has been based on the RRFE categories, Customer Focus, Operational Effectiveness, and Public and Regulatory Responsiveness.

RSL determined the programs to be presented in this analysis based on significant activities performed within the organization. All of these programs are considered in the budgeting process and as such they are reviewed regularly by the senior management team. Financial results are presented to the Board of Directors at quarterly meetings.

RSL notes that the programs described above have not specifically been in place for recording and tracking purposes, but have existed nonetheless. For the purposes of this application, RSL selected programs based on the review of OM&A Programs that were introduced in recent Cost of Service applications. The utility plans on using, tracking, and reporting on these programs on a regular basis going forward. The utility expects that these OM&A Programs will evolve and change over time.

Ex.4/Tab 3/Sch.2 - Program Description

RSL aims to meet or exceed the system maintenance and inspection requirements of the Ontario Energy Board's Distribution System Code (DSC) in order to minimize subsequent repair and/or replacement costs. Section 4.4.1, of the DSC states:

"A distributor shall maintain its distribution system in accordance with good utility practice and performance standards to ensure reliability and quality of electricity service, on both a short-term and long-term basis."

The following OM&A maintenance programs are consistent with good utility practices. Each program is discussed further below.

Customer Focus

- Billing and Customer Service
- Bad Debts
- Community Relations and LEAP
- Collecting

Operational Effectiveness

- Overhead Maintenance
- Underground Maintenance
- Engineering and Supervision
- Education, Health and Safety
- Substation Maintenance
- Fleet Costs
- Building Maintenance
- Vegetation Maintenance
- Administrative and Financial
- Meter Maintenance and Reading

Public and Regulatory Responsiveness

- Governance
- Regulatory Compliance
- Legal
- Liability and Property Insurance

CUSTOMER FOCUS

Billing and Customer Service

RSL's Billing and Customer Service department is responsible for activities that include:

- correctly computing and billing customers using approved rates, rate riders, rate adders, loss factors and other regulated rates and charges
- testing and promoting Customer Information System enhancements to support regulatory changes
- processing bill payments in a timely manner to satisfy cash flow requirements
- assisting customers with payments, move orders, and other transactions at RSL's offices in Prescott, Morrisburg, and Westport
- coordinating the budget billing program
- coordinating appointments with RSL's line crew
- answering telephone calls, emails, and other inquiries

The Billing and Customer Service department handles day to day customer inquiries in regards to their accounts and handles numerous other questions as they relate to Government and Regulatory policy, conservation and demand management, pricing and consumption.

Although RSL expects small growth to its customer base, the number of customer inquiries is likely to increase. We have already seen an increase in the number of questions asked about rates, global adjustment, the debt retirement charge, and OESP.

The Billing group is responsible for all billing activities supporting approximately 6,000 customers in RSL's four service areas. This includes the provision of bi-monthly and monthly billing that results in RSL issuing over 62,000 invoices annually in addition to approximately 1,000 final bills for customers moving within or outside of RSL's service territory annually. The

Billing Department is responsible for managing Electronic Business Transactions (“EBT”) and retailer settlement functions for just over 275 retailer accounts; account adjustments; processing of meter changes (e.g. re-verification); and other various account related field service orders, and mailing services. In 2015 RSL produced approximately 62,000 bills with a billing accuracy rate of 99.55%.

RSL offers customers a number of billing and payment options including an equal payment plan, electronic billing, and credit card payments (through a third party). In addition, customers can view their usage and manage their consumption using the customer portal on RSL’s website.

Prior to the installation of smart meters, RSL’s billing department was also responsible for residential and small commercial Meter Reading. With the completed deployment of Smart Meters and the ancillary infrastructure (e.g. AMI), Meter Reading services are now limited to non-interval commercial customers with demand >50kW.

Bad Debts

Bad debts is an unfortunate part of RSL’s business. RSL works to minimize the number and amount of accounts written off. Unfortunately, it is difficult to collect on final bills, even with the assistance of a collection agency. RSL recognizes the importance of controlling bad debt write-offs, as all customers end up paying for those who do not.

Community Relations and LEAP

RSL is an engaged member of its communities. Having local offices, where RSL’s customers can meet with us to discuss their account is very important. The daily interactions with our customers provide us with regular feedback about our service and system.

The coordination of both internal and external communications strategies is central to supporting the company’s plans, as well as key community, safety, customer and employee initiatives. More particularly, external strategies and plans help to support media relations, website development, the development of various collateral materials, and the integration of social media into the communications platform. All of these activities focus on enhancing public understanding of their local distributor and Ontario’s power system, as well as educating

consumers on electrical safety, managing their electricity bill, creating a culture of conservation, CDM program delivery, and activities that directly support community initiatives.

For RSL this means a commitment to provide relevant and timely consumer information to its approximately 6,000 customers, including proactive communications as it relates to the local distribution system and related electricity issues that impact ratepayers. RSL maintains a visible presence in the community it serves by educating and keeping its customers informed about electrical safety (at home and in the workplace); energy conservation and demand management as it relates to ongoing public education (at events, in schools, marketing and advertising) and delivering a complement of residential and business CDM programs; contributions to the community, including its charitable activities; consumer-based issues such as escalating electricity prices or Time-of-Use rates; and, any relevant programs, issues and/or projects that impact customers.

The costs included in the Community Relations cost category are related to the functions of the RSL community safety programs, and activities related to corporate and customer communications.

As an addition to the personal contact of our offices, we have enhanced our website to include a customer portal. Using this portal, customer can:

- See hourly time-of-use consumption
- Retrieve their bills (eBilling)
- Review their transaction history

The LEAP program provides emergency assistance to customers who are struggling with their electricity bills. RSL is proud to partner with the Employment and Education Centre in Brockville, and the United Way in Cornwall, to provide this service to RSL's customers.

Collecting

Collection activity is not exclusive to overdue accounts; it also includes the adoption and continued application of a prudent Credit Policy and the Customer Service Amendments consistent with the OEB's Distribution System Code.

RSL utilizes an extensive early collections process to minimize the number of accounts that near the disconnection stage. Active accounts are collected through phone calls, follow up calls, and hand delivered letters. Overdue final accounts are assigned to a Collection Agency 60 days after the due date. In the recent past RSL has experienced an increase in its bad debt expense that is attributed to an overall decline in the economy, combined with increased electricity rates.

OPERATIONAL EFFECTIVENESS

RSL's Operations strategy is to provide safe, reliable service at an appropriate level of quality throughout the licensed service area. RSL's maintenance strategy is an important part of its overall strategy of minimizing the life cycle costs of assets by minimizing reactive and emergency-type work, through an effective planned maintenance program (including predictive and preventative actions). These strategies are implemented through policies and work practices that promote a good experience for the customer with regard to safety, security of supply, continuity of service, the timely restoration of service and the minimization of undesirable service conditions. RSL's customers receive high quality services. Customers see that the system is in a state of good repair, that crews are engaged in inspection, testing, cleaning, and verification activities. Increasingly however, RSL's assets and services are less visible – underground conductors encased in conduits, and Smart Meters that do not need to be read manually.

RSL's customer responsiveness and system reliability are monitored continually to ensure that its maintenance strategy is effective. This effort is coordinated with RSL's capital project work, so that maintenance programs help to identify those areas that require capital investments. RSL is then able to adjust its capital spending priorities to address these matters. This process is described in more detail in conjunction with RSL's Distribution System Plan, found in Exhibit 2.

Within RSL, Operations and Maintenance expenses include all costs relating to the operation and maintenance of the RSL distribution system. This includes both direct labour costs and non-capital material spending to support both scheduled and reactive maintenance events. In addition, costs are allocated from support departments to cover the costs of Labour Burden and Vehicles.

Overhead and Underground Maintenance

Maintenance work performed outside of the capital budget accounts is captured through the operating and maintenance accounts. This work can be either planned or unplanned, and can involve capital work under the general service capital budgets. Maintenance and operating budgets are typically prepared based on historical values. The field inspection program identifies a number of immediate concerns and concerns requiring immediate analysis. Most of the concerns are slated under planned work and categorized as priority scheduled work or normal scheduled work.

Engineering and Supervision

This program contains the costs to manage the Operations Department, and for the provision of non-capital Engineering services. One of the primary services provided by Engineering is the maintenance of RSL's GIS mapping system. The Engineer updates the operating maps of RSL's multiple service areas, using information provided by RSL's Operations staff.

This program involves connection requests from builders and developers for the design of distribution system capital projects, collection, analysis and allocation of materials, system planning, project planning and coordination and management of the distribution system design. It is also responsible for overall coordination of construction activities to enhance, modify and renew the distribution system.

Education, Health & Safety

RSL's Safety Plan supports an effective 'loss prevention' and risk management approach. A strong operating discipline is required to create a safety culture where all employees take accountability for their own safety and that of their coworkers, where leadership sets an example that no LTI is acceptable.

The Safety Plan supports RSL's Occupational Health and Safety Management System ("OHSMS") that builds and incorporates an accountability structure, empowers employee involvement and continually measures its performance with the goal of preventing, minimizing and mitigating current and potential areas of loss for the organization. For example, RSL participates in the ZeroQuest® – Paths to Zero formal safety program that is targeted to LDCs. It is a four-level program based on commitment, effort, outcomes and sustainability that requires a rigorous process to achieve certification at a specific level.

RSL employs a leading indicator approach that measure proactive efforts that can uncover weaknesses before they develop into full-fledged problems. Leading indicators are effective predictors of safety performance because they focus on the types of issues that are key to successful safety performance including leadership, worker participation, incident investigations and root cause analyses. The success of the leading indicator program depends on the audit program, analysis of risk and hazard reviews, near-miss reporting and analysis, employee safety suggestions, training programs and ongoing and rigorous compliance with engineering and legislated standards and guidelines.

RSL's Occupational Health & Safety Management System uses a formal "Plan, Do, Check, and Act" process that ensures all employees understanding their accountability for:

- Identifying, reacting to, and mitigating risk in the workplace
- Acting within compliance and safety work practice codes
- Developing preventable measures and objectives tied to performance
- Monitoring and conducting corrective action, as necessary

Substation Maintenance

Substation service activities address the maintenance of all equipment at 9 RSL substations. As with the maintenance activities, RSL's substation maintenance strategy focuses on minimizing, to the extent possible, emergency-type work by improving the effectiveness of RSL's planned maintenance program (including predictive actions) for its substations.

Fleet Costs

RSL operates a 7-vehicle fleet. Fleet management and operations are geared to minimizing vehicle down time so that there are no inappropriate delays to dispatching a trouble crew to restore service and to maintain vehicle reliability and safety.

RSL maintains and operates an extensive fleet of vehicles and rolling stock. The fleet is comprised of:

- Pick-up Trucks (4)
- Single or Double Bucket Truck (2)

- Radial Boom Derrick (RBD) (1)
- Trailers (4)

All of the vehicles have an established replacement cycle that can be adjusted depending on the particular condition and duty of the individual vehicle. Replacements are reviewed annually and are accommodated within RSL's capital budgeting process.

Building Maintenance

This program contains the costs for general maintenance of RSL's main building and the remote office in Morrisburg. Costs include:

- Heating and cooling
- Grounds maintenance
- Snow removal
- Janitorial services
- Waste disposal
- Building Security

Vegetation Management (Tree Trimming)

To manage the tree trimming activities, RSL uses experienced local contractors who have demonstrated their ability to work with the company and with RSL's customers to minimize inconvenience. RSL staff also do tree trimming in areas as needed.

Tree trimming is a critical element of the overall maintenance program that brings positive results to the utility. RSL is proactive to minimize the destructive impact caused by trees.

Administrative and Financial

The program includes costs such as legal and administrative costs incurred regularly as part of the utility's business operations. These costs also include general accounting and audit costs. This program covers preparation of statutory, management and financial reporting; accounts payable and general accounting; treasury functions, including borrowing and cash management; financial risk management; accounting systems and internal control processes; preparation of

consolidated budgets and forecasts; and tax compliance. The executive team is responsible for the decision making for all financial and non-financial aspects of the utility.

Meter Maintenance and Reading

This program is responsible for the installation, testing, and commissioning of new metering and for the ongoing operations of existing metering, both simple and complex metering installations. Testing of complex metering installations ensures the accuracy of the installation (e.g. to verify that the appropriate meter multipliers are applied through the billing process). Metering proactively investigates potential diversion and/or theft of power which may give rise to unsafe conditions or risk other customers being inappropriately held financially responsible for costs.

With the implementation of smart meters, traditional meter reading costs have changed. RSL's meter reader obtains the reads for industrial demand meters. Otherwise, readings are obtained electronically. Meter reading costs include:

- Retrieval of smart meter readings, and the maintenance of supporting software
- Data costs for collectors
- Retrieval of interval reads

PUBLIC AND REGULATORY RESPONSIVENESS

Governance

This program contains the costs related to RSL's Board of Directors. The costs include:

- Directors' Fees
- Meeting Attendance Fees
- Travel Costs

Regulatory Compliance

Regulatory compliance contains the costs charged to RSL by the Ontario Energy Board for OEB costs, license renewal fees, and other charges related to regulatory matters. This program also has the costs related to the filing of rate applications (Cost of Service and IRM).

RSL does not charge any labour costs to Regulatory expense. RSL hired a Regulatory Analyst in 2014. This person's labour cost is included in the 5615 Administrative account.

Legal

It is not normal for RSL to be involved in litigation of any sort. Over the last 4 years there have been no legal cases involving RSL.

Liability and Property Insurance

RSL believes in having appropriate insurance coverage for its properties, and liability insurance for claims against the company.

Ex.4/Tab 3/Sch.2 - Program Variance Analysis

Table 4.13, Appendix 2-JC below shows the year over year variances of OM&A programs from 2012 Board Approved to 2016. A variance analysis of expenses exceeding the materiality threshold follows the table. RSL notes that prior to 2014, the programs listed at the previous schedule and presented in the table below were not in place. The utility carefully selected and adopted these programs based on a review of OM&A Programs that were introduced in recent Cost of Service applications. The utility plans on using, tracking and reporting on these programs on an ongoing basis. The utility expects that these OM&A Programs will evolve and change over time. Increases above the materiality threshold are explained following the table.

Table 4.13: OM&A Programs Variances

Programs	Last Rebasings Year (2012 Board- Approved)	Last Rebasings Year (2012 Actuals)	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year	Variance (Test Year vs. 2014 Actuals)	Variance (Test Year vs. Last Rebasing Year (2012 Board-Approved)
Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS		
Customer Focus								
Billing and Customer Service	348,939	395,068	347,565	355,175	350,135	353,998	-1,177	5,059
Bad Debts	39,600	37,749	94,888	87,185	62,595	70,000	-17,185	30,400
Community Relations and LEAP	3,400	4,973	7,874	9,646	9,964	30,097	20,451	26,697
Collecting	33,680	51,136	48,276	56,153	54,431	56,088	-65	22,408
							0	0
Sub-Total	425,619	488,926	498,603	508,159	477,125	510,183	2,024	84,564
Operational Effectiveness								
							0	0
Overhead Maintenance	341,161	335,755	384,443	299,192	448,600	431,342	132,150	90,180
Underground Maintenance	25,505	24,525	29,330	47,973	41,902	41,547	-6,426	16,042
Engineering and Supervision	96,647	94,676	95,172	99,511	64,354	108,887	9,376	12,240
Education, Health & Safety	0	33,477	51,963	38,372	44,624	42,897	4,525	42,897
Substation Maintenance	68,795	52,233	43,786	75,831	45,433	45,075	-30,756	-23,720
Fleet Costs	61,365	54,008	55,843	59,765	59,947	62,019	2,254	654
Building Maintenance	27,700	32,918	34,396	41,750	50,467	52,441	10,691	24,741
Vegetation Maintenance	9,600	18,070	28,298	11,250	3,500	3,570	-7,680	-6,030
Administrative and Financial	575,765	556,358	498,046	602,590	680,910	674,133	71,543	98,368
Meter Maintenance and Reading	57,296	44,362	29,808	42,040	72,942	73,025	30,985	15,730
							0	0
Sub-Total	1,263,834	1,246,382	1,251,085	1,318,274	1,512,678	1,534,936	216,662	271,102
Public and Regulatory Responsiveness								
							0	0
Governance	40,000	38,813	38,757	43,015	42,974	43,764	749	3,764
Regulatory Compliance	45,393	37,834	51,299	53,243	53,961	55,113	1,870	9,720
Legal	4,954	3,668	3,668	4,122	615	3,127	-995	-1,827
Liability and Property Insurance	40,200	31,509	34,139	36,079	34,965	35,664	-415	-4,536
							0	0
							0	0
							0	0
Sub-Total	130,547	108,156	127,863	136,459	132,516	137,669	1,210	7,122
Program Name #4								
							0	0
							0	0
							0	0
							0	0
Sub-Total	0	0	0	0	0	0	0	0
Program Name #5								
							0	0
							0	0
							0	0
							0	0
Sub-Total	0	0	0	0	0	0	0	0
Miscellaneous								
							0	0
Total	1,820,000	1,843,464	1,877,551	1,962,892	2,122,319	2,182,787	219,895	362,787

2012 Board Approved-2016 Test Variances

Overhead Maintenance

Variance: \$90,180

Expenses have increased partially due to inflation. Using a rate of 2%, costs increased by \$28,000. Other cost increases are due to payroll increases as line crew staff has progressed to higher experience/grade levels.

Administrative and Financial

Variance: \$97,520

\$47,000 of this variance can be attributed to inflation. In addition, the Accounting Assistant advanced to a higher grade level, and was eligible for retroactive pay. The Corporate Charge from Utilities has increased from \$26,700 to \$61,212 due to the renovation of the building in Prescott. Utilities charges RSL a rate of return on net assets.

2014 Actual-2016 Test Variances, Increases above the materiality threshold

Overhead Maintenance

Variance: \$132,150

The variance is primarily due to staffing additions in the line department. In 2014, RSL had 4 line employees. The company added a 5th person in December 2014, and an additional person in 2015. The charge out of their labour goes to many accounts, capital and expense, but the largest portion of the additional expense is charged to Overhead Maintenance.

Administrative and Financial

Variance: \$70,694

In August 2014, RSL hired a Regulatory Analyst. All of this person's expense is charged against Administration. This person was included in the headcount of RSL's last Cost of

Service application. Beginning in 2015 the entire annual cost for this person was reflected in the expense.

Ex.4/Tab 3/Sch.3 - Employee Compensation

RSL is committed to making the company increasingly safe, secure, and efficient. To succeed in the complex and rapidly changing industry, RSL must recruit and retain individuals with the appropriate skill sets to remain current and competitive.

In an industry faced with an aging workforce and the challenges of a competitive labour market, RSL is faced with a turnover of approximately 17% of its workforce within the next five years. RSL must position itself to attract, motivate, and retain the talent that is critical to maintaining and renewing its distribution system. Therefore, RSL's total compensation package and ability to offer a rewarding work experience must enable it to compete successfully for employees with the requisite skill sets. To avoid falling behind the market it is important the compensation system be reviewed on an ongoing basis. With that in mind, each year any recommended compensation adjustments are based on industry experience and projections.

RSL's workforce is comprised of unionized and non-unionized employees.

CUPE local 3839 is the sole bargaining agent for over 80% of RSL's employees. Compensation for unionized employees is negotiated through the collective bargaining process. When negotiating wage levels, consideration is given to the skill sets required to work within the distribution system, as well as the competitive wage levels of its geographic market. RSL's current contract with CUPE came into effect on April 1, 2014, and expires March 31, 2018. Wage increases of approximately 2.5% per year were negotiated with the union.

As stated in Chapter 2 of The Filing Requirements, "where there are three or fewer employees in any category, the applicant must aggregate this category with the category to which it is most closely related". RSL has shown the headcounts split between the Executive and CUPE, but Compensation and Benefits have been aggregated.

RSL employee benefit programs are provided by the MEARIE Group, and by OMERS. The MEARIE program is fully funded by RSL and covers health, dental, and life insurance. OMERS is a defined benefit plan that requires employee contributions from date of hire, and these contributions are matched by the employer. Other benefit costs are Canada Pension Plan, Employment Insurance, Employer Health Tax, and Workers Compensation and Insurance.

For this report, RSL has included regular wages, overtime, and benefits listed above, but excluded compensation for Statutory Holidays, and for annual employee vacations.

RSL provides post-retirement life insurance for its management staff. No post-retirement benefits are provided for unionized employees. As the benefit is provided for only four employees (3 current and 1 retired), RSL, in discussion with its external auditor, decided to calculate the liability internally rather than go to the expense of hiring an actuary. The auditors expressed satisfaction with the calculation of the liability and the annual charge against OM&A.

The employees and costs incurred are provided by the Affiliate Rideau St. Lawrence Utilities Inc. Table 4.14 below is the summary of the employee numbers and costs. The FTEE is displayed in Table 4.15.

Table 4.14: Employee Costs

**Appendix 2-K
Employee Costs**

	Last Rebas ing Year - 2012- Board Approved	Last Rebas ing Year - 2012- Actual	2013 Actuals	2014 Actuals	2015 Bridge Year	2016 Test Year
Number of Employees (FTEs including Part-Time)¹						
Management (including executive)	3	3	3	3	3	3
Non-Management (union and non-union)	11	10	10	10	12	12
Total	14	13	13	13	15	15
Total Salary and Wages including overtime and incentive pay						
Management (including executive)						
Non-Management (union and non-union)	\$ 797,040	\$ 744,710	\$ 699,894	\$ 715,511	\$ 816,914	\$ 835,815
Total	\$ 797,040	\$ 744,710	\$ 699,894	\$ 715,511	\$ 816,914	\$ 835,815
Total Benefits (Current + Accrued)						
Management (including executive)						
Non-Management (union and non-union)	\$ 296,454	\$ 295,759	\$ 383,405	\$ 379,601	\$ 462,891	\$ 451,340
Total	\$ 296,454	\$ 295,759	\$ 383,405	\$ 379,601	\$ 462,891	\$ 451,340
Total Compensation (Salary, Wages, & Benefits)						
Management (including executive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Management (union and non-union)	\$ 1,093,494	\$ 1,040,470	\$ 1,083,299	\$ 1,095,112	\$ 1,279,805	\$ 1,287,155
Total	\$ 1,093,494	\$ 1,040,470	\$ 1,083,299	\$ 1,095,112	\$ 1,279,805	\$ 1,287,155

Table 4.15: Headcount (FTEE Per Month)

Year		Opening Balance	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Ending Balances	Avg
2012																
	Exec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Mgmt	3	3	3	3	3	4	3.5	3	3	3	3	3	3	3	3.13
	Union	8.41	8.41	9.41	9.41	9.41	11.21	11.21	11.21	11.21	9.41	9.41	9.41	9.41	9.41	9.93
	Non Union	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Total	11.41	11.41	12.41	12.41	12.41	15.21	14.71	14.21	14.21	12.41	12.41	12.41	12.41	12.41	13.05
2013																
	Exec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Mgmt	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3.00
	Union	9.42	9.42	9.42	9.42	9.42	10.82	11.22	11.22	11.22	9.5	9.5	9.42	9.42	9.42	10.00
	Non Union	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Total	12.42	12.42	12.42	12.42	12.42	13.82	14.22	14.22	14.22	12.5	12.5	12.42	12.42	12.42	13.00
2014																
	Exec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Mgmt	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3.00
	Union	9.37	9.62	9.37	9.37	9.37	10.77	10.67	10.17	10.72	9.92	9.92	10.42	10.92	10.92	10.10
	Non Union	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Total	12.37	12.62	12.37	12.37	12.37	13.77	13.67	13.17	13.72	12.92	12.92	13.42	13.92	13.92	13.10
2015																
	Exec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Mgmt	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3.00
	Union	11.1	11.73	11.53	11.53	12.53	12.57	12.32	12.42	12.87	12.57	12.67	12.67	12.71	12.71	12.34
	Non Union	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Total	14.1	14.73	14.53	14.53	15.53	15.57	15.32	15.42	15.87	15.57	15.67	15.67	15.71	15.71	15.34
2016																
	Exec	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Mgmt	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3.00
	Union	12.71	11.68	11.68	11.68	11.68	13.48	13.48	13.48	13.48	11.68	11.68	11.68	11.68	11.68	12.28
	Non Union	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00
	Total	15.71	14.68	14.68	14.68	14.68	16.48	16.48	16.48	16.48	14.68	14.68	14.68	14.68	14.68	15.28

The FTEE for the 2016 Test year is 15.28, and represents an increase over the FTEE in RSL's 2012 Cost of Service application of .85 staff.

Our last application included the hiring of a Regulatory Analyst. This employee was hired in August 2014.

Another change from RSL's 2012 rate application has been the hiring of Co-op students for work with RSL's Line Crew. RSL had one student in 2014, and two in 2015. Two of the three students have been hired full time. RSL's FTEE contains .5 of an employee, representing a half year for the co-op student.

Ex.4/Tab 3/Sch.4 - Shared Services and Corporate Cost Allocation

Shared services between Rideau St. Lawrence Distribution Inc. and its affiliates are as follows:

- Meter Reading
- Billing
- Collecting
- Administration
- Operations

Shared Services Cost Allocation Methodology:

In 2000, when Rideau St. Lawrence Distribution Inc. (RSL) and Rideau St. Lawrence Utilities Inc. (Utilities) were formed, employees, tools, administration buildings, office equipment, water heaters, and rolling stock (vehicles) were transferred into Utilities so that Utilities could provide services to RSL as well as to its municipal shareholders. These were services that were provided by the four former Municipal Electric Utilities before they merged in 2000 to become Rideau St. Lawrence Holdings Inc. and its subsidiaries.

In 2004, tools and rolling stock were to be transferred from Utilities to RSL. These items are used primarily for distribution activities. The tools were transferred, but it was not economically viable to transfer the rolling stock due to tax implications. Instead, when it became time to replace a line truck, it was purchased by RSL rather than Utilities, as the majority of the line truck use will be for RSL purposes. Rolling stock costs are recorded and then applied as part of RSL's overhead rate. The cost for the new truck will be in RSL, and will be charged to Utilities as used for Utilities work.

Utilities provide meter readings, billing, and collection functions for the municipalities and for RSL. These services are provided on a shared cost basis.

The meter reading service for the Village of Westport is provided by a third party. Meter reading costs directly attributable to smart meter data collection are charged directly to RSL. The balance of the meter reading costs are allocated between RSL and Utilities based on the number of reads per year per service, with RSL being responsible for the hydro meter reading costs, and Utilities for the water meter reading costs. The relative number of hydro meters that

require manual reading has decreased significantly since the advent of smart meters. The remaining meters are industrial demand meters, and the amount of time required to attain the readings is considerably higher. To retrieve the meter readings requires 3 days of effort for RSL's meter reading staff. Part of the reason for the amount of time required is the distance between RSL's six communities, and the need to coordinate the visits with site personnel.

Utilities records approximately 732 manual electric readings, and 29,500 water readings during the year. Although the ratio of electric to water readings is 2.4%:97.6%, the numbers do not tell the true story behind the cost allocation. RSL believes that 15% is an appropriate allocation of the shared meter reading costs to the LDC, due to the additional effort required to get the electric readings. This percentage has been in use by RSL since 2012.

To determine the bill production calculation cost for hydro, RSL first identify and remove costs specific to the LDC (settlement, sync operator, etc.) that are captured in this account. The hydro bill has been assigned a factor of three compared with one for the water bill based on the complexity of the hydro bill, and the additional procedures RSL need to follow to calculate the hydro bill. A hydro bill can have up to 25 different rates with associated supporting setups. Water bills, in comparison, have a maximum of 3 rates, and are relatively simple in structure. The complexity rating along with the number of bills produced annually (59,000 for electric and 52,000 for water) provides an allocation factor of 77% for hydro bills and 23% for water bills to be applied to common billing costs to determine the common costs to be assigned to RSL.

Collections costs are allocated based on the number of bills issued: 59,058 for hydro versus 52,038 for water, or 53% to 47%.

Five percent is added to Utilities costs for the time/cost of management working on Utilities issues: Operations Supervision for outside costs, and Administration supervision for inside costs, such as billing and collecting.

The Utilities revenue is derived from Hot Water Tank Rentals, Water and Sewer Billing, Street Light Maintenance, and a small amount of contract work. Management performs a caretaker roll only for these services, as they are all mature services, and are not being actively pursued or expanded. They are a continuation of services that have been provided for years, and all regulatory issues, rates, and revenue issues are handled by the municipalities.

Labour costs are charged based on actual costs, plus an overhead rate of 53% for 2016. Each employee completes a time sheet detailing the time and the type of work they performed.

Corporate Cost Allocation:

RSL has affiliates, as shown in Exhibit 1/Tab 8/Sch.1. One of the affiliates, Rideau St. Lawrence Utilities Inc., is a services company that provides all of the manpower required by RSL to operate its distribution system. The costs for these services are passed through to RSL at cost. A corporate charge is then calculated to provide a return on the investments of Utilities. This charge is allocated to each affiliate based on the percentage of total revenue of the Consolidated Corporation. In 2012, the corporate charge to RSL was \$15,226, compared with the \$26,700 as approved in RSL's 2012 Cost of Service application. The charge was \$17,882 in 2013, \$36,222 in 2014, \$56,221 in 2015, and \$61,212 in 2016. The reason for the increase in years 2014 through 2016 is that the Utilities company completed a renovation to the main building in Prescott. The additional investment by Utilities increased the calculated return that is charged to RSL. The additional cost to RSL is reasonable, as RSL is the primary user of the building.

There are no Board of Director-related costs for affiliates included in this application.

Table 4.16 below is historical shared services and corporate cost allocation.

Table 4.16 - OEB Appendix 2-N – Shared Services and Corporate Cost Allocation

Year: 2012 Board Approved

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		31,600
Utilities	RSL	Billing	100% of direct costs and 80% of shared costs		269,600
Utilities	RSL	Collecting	100% of direct costs and 57% of shared costs		35,700

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
Utilities	RSL	MSA	Return on Utilities Assets		18,400

Year: 2012

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		29,329
Utilities	RSL	Billing	100% of direct costs and 80% of shared costs		327,225
Utilities	RSL	Collecting	100% of direct costs and 57% of shared costs		52,879

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
Utilities	RSL	MSA	Return on Utilities Assets		15,226

Year: 2013

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		32,950
Utilities	RSL	Billing	100% of direct costs and 80% of shared costs		347,565
Utilities	RSL	Collecting	100% of direct costs and 57% of shared costs		51,369

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		17,882

Year: 2014

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		50,124
Utilities	RSL	Billing	100% of direct costs and 80% of shared costs		355,175
Utilities	RSL	Collecting	100% of direct costs and 54% of shared costs		59,799

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		36,222

Year: 2015

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		61,806
Utilities	RSL	Billing	100% of direct costs and 80% of shared costs		351,163
Utilities	RSL	Collecting	100% of direct costs and 53% of shared costs		56,173

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		56,221

Year: 2016

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		61,989
Utilities	RSL	Billing	100% of direct costs and 80% of shared costs		355,008
Utilities	RSL	Collecting	100% of direct costs and 53% of shared costs		57,823

Corporate Cost Allocation

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		61,648

Ex. 4Tab 3/Sch.5 - Variance Analysis of Shared Services and Corporate Cost Allocation

2012 Board-Approved vs 2016 Test Year

Table 4.17: 2012 Board-Approved vs 2016 Test Year

Shared Services					
			2012	2016	
From	To	Service	Approved	Test	Variance
Utilities	RSL	Meter Reading	31,600	61,989	30,389
Utilities	RSL	Billing	269,600	355,008	85,408
Utilities	RSL	Collecting	35,700	57,823	22,123
Corporate Charge					
			2012	2016	
From	To	Service	Approved	Test	Variance
Utilities	RSL	Use of Utilities Assets	18,400	61,212	42,812

As shown in Table 4.17, the cost for Billing has increased by \$85,408 from the 2012 Board Approved amount. Approximately \$16,000 can be attributed to inflation. The 2016 costs also reflect additional costs, such as postage, bills, and envelopes due to the implementation of monthly billing.

The 2012 Board-approved amount did not include the costs related to Smart Meters, such as the costs for MDM/R synchronization. In the 2012 rate application, these costs were shown under Operations. RSL believes that the costs are more appropriate to charge to Billing. The same case applies to Meter Reading, as the costs related to retrieving the Smart Meter reads had been previously classified as Operations.

The allocation for Collecting has increased. The primary driver is labour. In RSL's Cost of Service application, the costs related to a Collections Clerk were included. However, there are other labour costs related to staff who deliver the collection notices to customers, and perform disconnects and reconnects. These costs previously were included in other categories of OM&A.

The Corporate Charge from Utilities to RSL, has increased since 2012. The primary cause of the increase is the renovation/addition to the RSL building in Prescott, completed in 2015. The Corporate Charge is calculated as the net fixed assets of Utilities multiplied by the rate of return on capital.

2015 Actual vs 2016 Test Year

Table 4.18 2015 Actual vs 2016 Test Year

Shared Services					
			2015	2016	
From	To	Service	Actual	Test	Variance
Utilities	RSL	Meter Reading	61,806	61,989	183
Utilities	RSL	Billing	351,163	355,008	3,845
Utilities	RSL	Collecting	56,173	57,823	1,650
Corporate Charge					
			2015	2016	
From	To	Service	Actual	Test	Variance
Utilities	RSL	Use of Utilities Assets	56,221	61,212	4,991

As displayed in Table 4.18, there are no significant variances between the 2015 actual costs and 2016 test.

Ex.4/Tab 3/Sch.6 - Purchases of Non-Affiliate Services

RSL does not have a formal documented procurement policy. RSL uses good business practices to obtain pricing. Significant capital purchases, such as vehicles, which are above the materiality threshold, are approved by the Board of Directors.

At the time of RSL's formation, competitive quotes were issued, and services purchased from the successful bidder. Since then RSL has been part of competitive RFP's issued by CHEC, and has leveraged the CHEC Group for joint purchasing where no formal RFP was issued.

Significant purchased non-affiliate services are listed below in Table 4.19.

Table 4.19: Purchased Non-Affiliate Services

Supplier	2015	2014	2013	2012	Activity	Method
Harris Computer Systems	52,735	51,408	49,619	43,220	Software and Support	Market Price
Utilismart	35,040	36,310	37,441	37,200	Settlement Services	Market Price
Util Assist	22,117	21,412	20,819	23,235	IT/Software Services	Market Price
Elster	32,858	29,874	14,078	17,684	IT/Software Services	CHEC RFP

Ex.4/Tab 3/Sch.7 - One-time Costs

As shown in Table 4.20 below, RSL anticipates that there will be several one-time costs that will be incurred as part of this application. The anticipated consultant costs are for the preparation of the Distribution System Plan, and for third-party reviews of the Load Forecast and Cost Allocation.

RSL proposes to amortize the one-time costs over the five-year rates period.

Table 4.20: One-time Costs (Appendix 2-M)

	Historical Year(s)	2015 Bridge Year	2016 Test Year
OEB Meeting Costs			10,000
Legal costs			25,000
Consultants' costs		15,000	25,000
Incremental operating expenses associated with staff resources allocated to this application.			
Incremental operating expenses associated with other resources allocated to this application. ¹			
Intervenor costs			50,000

Ex.4/Tab 3/Sch.8 - Regulatory Costs

RSL proposes to recover \$55,113 of regulatory costs through rates. The purpose of this evidence is to document RSL's ongoing Regulatory costs, the drivers of these costs, and the quantified year over year changes. RSL has completed the OEB's schedule 2-M, as shown below.

RSL's Regulatory costs include:

- License renewal fees
- OEB Assessment
- Section 30 cost awards
- Application Costs

RSL does not charge any internal labour to Regulatory Costs. All labour costs associated with regulatory matters are charged to accounts 5615 and 5605.

RSL's proposed 2016 costs include \$25,000 for the amortization over 5 years of the costs related to this application (total anticipated cost of \$125,000).

In order to prepare the application to the standard required, RSL has retained consultants with expertise and experience in:

- Load forecasting
- Cost Allocation
- Distribution System Plan
- Review of LRAMVA balances and CDM achievements
- Legal

The breakdown of the regulatory costs is provided in Table 4.21 below,

Table 4.21: Breakdown of Regulatory Costs

**Appendix 2-M
Regulatory Cost Schedule**

Regulatory Cost Category	USoA Account	USoA Account Balance	Ongoing or One-time Cost? ²	Last Rebasings Year (2012 Board Approved)	Most Current Actuals Year 2014	2015 Bridge Year	Annual % Change	2016 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	\$ 15,000	\$ 14,538	\$ 15,404	5.96%	\$ 15,712	2.00%
2 OEB Section 30 Costs (Applicant-originated)	5655		On-Going	\$ -	\$ -				
3 OEB Section 30 Costs (OEB-initiated)	5655		On-Going	\$ 350	\$ 384	\$ 1,505	292.20%	\$ 1,000	-33.55%
4 Expert Witness costs for regulatory matters	5655		On-Going	\$ -	\$ -				
5 Legal costs for regulatory matters	5655		On-Going	\$ 8,750	\$ 6,567	\$ 6,567	0.00%	\$ 7,189	9.48%
6 Consultants' costs for regulatory matters	5655		On-Going	\$ 15,000	\$ 20,528	\$ 21,041	2.50%	\$ 14,843	-29.46%
7 Operating expenses associated with staff resources allocated to regulatory matters	5655		On-Going	\$ 1,081	\$ 340	\$ 340	0.00%	\$ 200	-41.21%
8 Operating expenses associated with other resources allocated to regulatory matters ¹	5655		On-Going	\$ 1,250	\$ 2,467	\$ 686	-72.19%	\$ 1,500	118.66%
9 Other regulatory agency fees or assessments	5655		On-Going	\$ 800	\$ 800	\$ 800	0.00%	\$ 800	0.00%
10 Any other costs for regulatory matters (please define)	5655		On-Going	\$ -	\$ 1,670	\$ 1,670	0.00%	\$ 1,886	12.96%
11 Intervenor costs	5655		On-Going	\$ 5,000	\$ 5,949	\$ 5,949	0.00%	\$ 11,983	101.42%
12 Sub-total - Ongoing Costs ³		\$ -		\$ 47,231	\$ 53,243	\$ 53,961	1.35%	\$ 55,113	2.13%
13 Sub-total - One-time Costs ⁴		\$ -		\$ -	\$ -	\$ -		\$ -	
14 Total		\$ -		\$ 47,231	\$ 53,243	\$ 53,961	1.35%	\$ 55,113	2.13%

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)	2015 Bridge Year	2016 Test Year
4 OEB Meeting Costs			10,000
5 Legal costs			25,000
6 Consultants' costs		15,000	25,000
7 Incremental operating expenses associated with staff resources allocated to this application.			
8 Incremental operating expenses associated with other resources allocated to this application. ¹			
11 Intervenor costs			50,000

Ex.4/Tab 3/Sch.9 - Low Income Energy Assistance Programs

RSL has included \$3,500 of expense for the Low Income Assistance Program (LEAP) under Deductions Donation Expense (USoA #6205). This amount is based on the Board's determination that the greater of 0.12% of a distributor's Board-approved distribution revenue requirement, or \$2,000 should be included in the utility's costs.

RSL has partnered with Employment and Education Centre in Brockville, and the United Way in Cornwall, to assist with this program intended to provide emergency relief to eligible low-income customers who may be experiencing difficulty paying current arrears.

In compliance with OEB policy, RSL:

- Collects money from ratepayers for LEAP in the amount approved by the OEB;
- Transfers funds to the Employment and Education Centre in Brockville, and the United Way in Cornwall;
- Determines funding allocations for the agencies;
- Communicates regularly with the agencies about customer eligibility
- Submits annual RRR 2.1.16 to the OEB in accordance with the regulator's reporting requirements advising of whether the social agencies have fully depleted their LEAP funds.

RSL has included the projected LEAP contribution in its 2016 Revenue Requirement.

There are no legacy low income energy assistance programs (other than LEAP) in the test year Revenue Requirement.

Ex.4/Tab 3/Sch.10 - Charitable and Political Donations

In compliance with the filing requirements, which state that “the recovery of charitable donations will not be allowed for the purpose of setting rates, except for contributions to programs that provide assistance to the distributor’s customers in paying their electricity bills and assistance to low income consumers.” RSL confirms that no amounts for charitable donations have been included in its proposed distribution expenses for the 2016 test year.

RSL confirms that it has reviewed the amounts filed to ensure that all other non-recoverable contributions, including any political contributions if any, were identified, disclosed and removed from the revenue requirement calculation.

There were no amounts paid in charitable or political donations from 2012 up to 2015.

Depreciation, Amortization & Depletion

Ex.4/Tab 4/Sch.1 - Depreciation Rates and Methodology

In accordance with the July 17, 2012 letter from the Board on Regulatory accounting policy direction regarding changes to depreciation expense and capitalization policies and as such, RSL adopted the Kinectrics proposed useful lives and componentization as of January 1, 2012. At this time the life span of the assets was extended to comply with the depreciation changes.

The revised methodology was used in RSL's 2012 Cost of Service rate application. The newly adopted amortization rates are presented at Exhibit 4, Tab 4 Schedule 3 OEB Appendix 2.BB and are applied on a straight line basis. All assets are componentized and depreciated individually according to asset life span as per the Kinectrics Report. RSL will be continuing this method of depreciation in the Test Year and beyond.

Ex.4/Tab 4/Sch.2 - Depreciation Expense

In accordance with the Board's filing requirements, RSL has completed the following depreciation and amortization expense tables:

- 2012 Revised CGAAP – Appendix 2-CB
- 2013 Revised CGAAP – Appendix 2-CC
- 2014 MIFRS – Appendix 2-CD
- 2015 Bridge Year under MIFRS – Appendix 2-CE
- 2016 Test Year under MIFRS – Appendix 2-CF

Appendix CA was not completed since RSL implemented New CGAAP amortization policies beginning January 1, 2012. Also, Appendices 2-CG to 2-CI are also not included since these assume that New CGAAP amortization policies began January 1, 2013.

Table(s) 4.22 on the following pages illustrate the Fixed Asset Amortization Schedules that have been updated in the Board's Chapter 2 Appendices workbook that has been filed with this application.

Table 4.22 – Depreciation and Amortization Expense

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

Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2012 and has adopted IFRS for financial reporting purposes effective January 1, 2015.

		Year 2012 CGAAP												
Account	Description	Opening NBV as at Jan 1, 2012 ¹	Additions	Average Remaining Life of Opening NBV ⁴	Years (new additions only) ³	Depreciation Rate on New Additions	Depreciation Expense on Opening NBV	Depreciation Expense on Additions ¹	2012 Depreciation Expense	2012 Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ²	Depreciation Expense on 2012 Full Year Additions	Less Depreciation Expense on Assets Fully Depreciated during the year (e)	2012 Full Year Depreciation ⁶
		(a)	(d)	(i)	(f)	(g) = 1 / (f)	(j) = (a) / (i)	(h)=(d ² *0.5)/(f)	(k) = (j) + (h)	(l) = (d) / (f)	(m) = (k) - (l)	(n) = (d)/(f)		(p) = (j) + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 164,949	\$ 23,483	2.86	5.00	20.00%	\$ 57,719	\$ 2,348	\$ 60,067	\$ 60,067	\$ 0	\$ 4,697	\$ 6,966	\$ 55,449
1612	Land Rights (Formally known as Account 1906)					0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1805	Land	\$ 84,205				0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1808	Buildings	\$ 73,993		45.03		0.00%	\$ 1,643	\$ -	\$ 1,643	\$ 1,636	\$ 8	\$ -		\$ 1,643
1810	Leasehold Improvements					0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1815	Transformer Station Equipment >50 kV					0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1820	Distribution Station Equipment <50 kV (Substations)	\$ 237,284	\$ 5,871	34.16	45.00	2.22%	\$ 6,946	\$ 65	\$ 7,012	\$ 15,176	\$ 8,165	\$ 130		\$ 7,077
1820	Distribution Station Equipment <50 kV (Wholesale Meters)	\$ 255,364	\$ 15,787	20.43	25.00	4.00%	\$ 12,499	\$ 316	\$ 12,815	\$ 12,815	\$ 0	\$ 631		\$ 13,131
1825	Storage Battery Equipment					0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1830	Poles, Towers & Fixtures	\$ 415,917	\$ 81,585	37.44	45.00	2.22%	\$ 11,109	\$ 907	\$ 12,015	\$ 12,114	\$ 99	\$ 1,813	\$ 139	\$ 12,783
1835	Overhead Conductors & Devices	\$ 1,220,673	\$ 105,636	52.00	60.00	1.67%	\$ 23,472	\$ 880	\$ 24,353	\$ 24,353	\$ 0	\$ 1,761		\$ 25,233
1840	Underground Conduit	\$ 26,553	\$ 4,381	41.96	50.00	2.00%	\$ 633	\$ 44	\$ 677	\$ 677	\$ 0	\$ 88		\$ 720
1845	Underground Conductors & Devices	\$ 533,417	\$ 14,334	32.07	40.00	2.50%	\$ 16,631	\$ 179	\$ 16,810	\$ 16,810	\$ 0	\$ 358		\$ 16,989
1850	Line Transformers	\$ 749,761	\$ 69,090	38.83	45.00	2.22%	\$ 19,309	\$ 768	\$ 20,076	\$ 20,076	\$ 0	\$ 1,535	\$ 47	\$ 20,797
1855	Services (Overhead & Underground)	\$ 222,104	\$ 14,495	50.34	60.00	1.67%	\$ 4,412	\$ 121	\$ 4,533	\$ 4,533	\$ 0	\$ 242		\$ 4,654
1860	Meters (Non Smart Meters)	\$ 144,270	\$ 5,053	20.06	25.00	4.00%	\$ 7,191	\$ 101	\$ 7,292	\$ 7,191	\$ 101	\$ 202		\$ 7,393
1860	Meters(Smart Meters)	\$ 938,057	\$ 28,083	12.76	15.00	6.67%	\$ 73,528	\$ 936	\$ 74,464	\$ 74,632	\$ 168	\$ 1,872	\$ 199	\$ 75,201
1905	Land					0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1908	Buildings & Fixtures					0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1910	Leasehold Improvements	\$ 5,718		6.50		0.00%	\$ 880	\$ -	\$ 880	\$ 880	\$ 0	\$ -		\$ 880
1915	Office Furniture & Equipment (10 years)					0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1915	Office Furniture & Equipment (5 years)					0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1920	Computer Equipment - Hardware	\$ 51,839	\$ 9,126	2.11	5.00	20.00%	\$ 24,556	\$ 913	\$ 25,469	\$ 25,469	\$ 0	\$ 1,825	\$ 10,465	\$ 15,916
1920	Computer Equip. -Hardware(Post Mar. 22/04)					0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1920	Computer Equip. -Hardware(Post Mar. 19/07)					0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1930	Transportation Equipment	\$ 493,680	\$ 6,364	6.02	8.00	12.50%	\$ 82,060	\$ 398	\$ 82,458	\$ 82,458	\$ 0	\$ 796	\$ 3,872	\$ 78,984
1935	Stores Equipment					0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
1940	Tools, Shop & Garage Equipment	\$ 24,436	\$ 2,411	5.91	10.00	10.00%	\$ 4,135	\$ 121	\$ 4,255	\$ 4,255	\$ 0	\$ 241	\$ 545	\$ 3,830
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	\$ 342,285	\$ 38,433	39.29	46.58	2.15%	\$ 8,711	\$ 413	\$ 9,123	\$ 9,123	\$ 0	\$ 825	\$ -	\$ 9,536
Total		\$ 5,299,934	\$ 347,265				\$ 338,012	\$ 7,683	\$ 345,695	\$ 354,018	\$ 8,324	\$ 15,366	\$ 22,234	\$ 331,144

Appendix 2-CC
Depreciation and Amortization Expense

Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2012 and has adopted IFRS for financial reporting purposes effective January 1, 2015.

2013 CGAAP

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	2013 Depreciation Expense ¹ (h)=2012 Full Year Depreciation + ((d)*0.5)/(f)	2013 Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ² (m) = (h) - (l)	Depreciation Expense on 2013 Full Year Additions (n)=((d))/(f)	Less Depreciation Expense on Assets Fully Depreciated during the year (o)	2013 Full Year Depreciation ³ (p) = 2012 Full Year Depreciation + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 33,460	5.00	20.00%	\$ 58,795	\$ 58,795	\$ 0	\$ 6,692	\$ 14,540	\$ 47,601
1612	Land Rights (Formally known as Account 1906)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1805	Land			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1808	Buildings			0.00%	\$ 1,643	\$ 1,636	\$ 8	\$ -	\$ -	\$ 1,643
1810	Leasehold Improvements			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1815	Transformer Station Equipment >50 kV			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1820	Distribution Station Equipment <50 kV (Substations)	\$ 80,998	42.24	2.37%	\$ 8,036	\$ 16,200	\$ 8,165	\$ 1,918	\$ -	\$ 8,994
1820	Distribution Station Equipment <50 kV (Wholesale Meters)	\$ 1,800	25.00	4.00%	\$ 13,167	\$ 13,167	\$ 0	\$ 72	\$ -	\$ 13,203
1825	Storage Battery Equipment			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1830	Poles, Towers & Fixtures	\$ 83,532	45.00	2.22%	\$ 13,711	\$ 13,809	\$ 98	\$ 1,856	\$ 94	\$ 14,545
1835	Overhead Conductors & Devices	\$ 98,159	60.00	1.67%	\$ 26,051	\$ 26,066	\$ 15	\$ 1,636	\$ -	\$ 26,869
1840	Underground Conduit	\$ 3,223	50.00	2.00%	\$ 753	\$ 753	\$ 0	\$ 64	\$ -	\$ 785
1845	Underground Conductors & Devices	\$ 58,556	40.00	2.50%	\$ 17,721	\$ 17,721	\$ 0	\$ 1,464	\$ -	\$ 18,453
1850	Line Transformers	\$ 91,644	45.00	2.22%	\$ 21,815	\$ 21,815	\$ 0	\$ 2,037	\$ 1	\$ 22,833
1855	Services (Overhead & Underground)	\$ 6,693	60.00	1.67%	\$ 4,709	\$ 4,710	\$ 0	\$ 112	\$ -	\$ 4,765
1860	Meters	\$ -	25.00	4.00%	\$ 7,393	\$ 7,191	\$ 202	\$ -	\$ -	\$ 7,393
1860	Meters (Smart Meters)	\$ 16,664	15.00	6.67%	\$ 75,757	\$ 76,491	\$ 734	\$ 1,111	\$ 375	\$ 75,937
1905	Land			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1908	Buildings & Fixtures			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1910	Leasehold Improvements			0.00%	\$ 880	\$ 880	\$ 0	\$ -		\$ 880
1915	Office Furniture & Equipment (10 years)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1915	Office Furniture & Equipment (5 years)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1920	Computer Equipment - Hardware	\$ 42,870	5.00	20.00%	\$ 20,203	\$ 19,963	\$ 240	\$ 8,574	\$ 6,699	\$ 17,791
1920	Computer Equip.-Hardware(Post Mar. 22/04)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1930	Transportation Equipment	\$ 2,094	5.00	20.00%	\$ 79,193	\$ 79,193	\$ 0	\$ 419		\$ 79,402
1935	Stores Equipment			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1940	Tools, Shop & Garage Equipment	\$ 13,480	10.00	10.00%	\$ 4,504	\$ 4,504	\$ 0	\$ 1,348		\$ 5,178
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	-\$ 165,304	47.79	2.09%	\$ 11,265	\$ 10,896	\$ 369	\$ 3,459		\$ 12,995
	Total	\$ 367,870			\$ 343,065	\$ 351,997	\$ 8,932	\$ 23,843	\$ 21,708	\$ 333,278

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

Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2012 and has adopted IFRS for financial reporting purposes effective January 1, 2015.

2014 MIFRS

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	2014 Depreciation Expense ¹ (h)=2013 Full Year Depreciation + ((d)*0.5)/(f)	2014 Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ² (m) = (h) - (l)	Depreciation Expense on 2014 Full Year Additions (n)=(d)/(f)	Less Depreciation Expense on Assets Fully Depreciated during the year (o)	2014 Full Year Depreciation ³ (p) = 2013 Full Year Depreciation + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 92,521	5.00	20.00%	\$ 56,853	\$ 56,853	\$ 0	\$ 18,504	\$ 19,067	\$ 47,038
1612	Land Rights (Formally known as Account 1906)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1805	Land			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1808	Buildings	\$ 18,611	50.00	2.00%	\$ 1,829	\$ 1,822	\$ 8	\$ 372		\$ 2,015
1810	Leasehold Improvements			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1815	Transformer Station Equipment >50 kV			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1820	Distribution Station Equipment <50 kV (Substations)	\$ 10,542	40.00	2.50%	\$ 9,126	\$ 17,291	\$ 8,165	\$ 264		\$ 9,258
1820	Distribution Station Equipment <50 kV (Wholesale Meters)	\$ 9,452	25.00	4.00%	\$ 13,392	\$ 13,392	\$ 0	\$ 378		\$ 13,581
1825	Storage Battery Equipment			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1830	Poles, Towers & Fixtures	\$ 70,213	45.00	2.22%	\$ 15,325	\$ 15,320	\$ 5	\$ 1,560	\$ 97	\$ 16,008
1835	Overhead Conductors & Devices	\$ 57,820	60.00	1.67%	\$ 27,351	\$ 26,585	\$ 766	\$ 964		\$ 27,833
1840	Underground Conduit	\$ 24,280	50.00	2.00%	\$ 1,028	\$ 1,028	\$ 0	\$ 486		\$ 1,271
1845	Underground Conductors & Devices	\$ 62,867	40.00	2.50%	\$ 19,239	\$ 19,239	\$ 0	\$ 1,572		\$ 20,025
1850	Line Transformers	\$ 22,494	45.00	2.22%	\$ 23,082	\$ 23,082	\$ 0	\$ 500	\$ 1	\$ 23,332
1855	Services (Overhead & Underground)	\$ 4,560	60.00	1.67%	\$ 4,803	\$ 4,803	\$ 0	\$ 76		\$ 4,841
1860	Meters	\$ -	25.00	4.00%	\$ 7,393	\$ 7,191	\$ 202	\$ -		\$ 7,393
1860	Meters (Smart Meters)	\$ 23,653	15.00	6.67%	\$ 76,725	\$ 77,024	\$ 298	\$ 1,577	\$ 315	\$ 77,199
1905	Land			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1908	Buildings & Fixtures			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1910	Leasehold Improvements			0.00%	\$ 880	\$ 880	\$ 0	\$ -		\$ 880
1915	Office Furniture & Equipment (10 years)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1915	Office Furniture & Equipment (5 years)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1920	Computer Equipment - Hardware	\$ 13,244	5.00	20.00%	\$ 19,116	\$ 19,116	\$ 0	\$ 2,649	\$ 3,449	\$ 16,991
1920	Computer Equip.-Hardware(Post Mar. 22/04)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1930	Transportation Equipment	\$ 46,494	5.00	20.00%	\$ 84,052	\$ 84,052	\$ 0	\$ 9,299	\$ 3,521	\$ 85,181
1935	Stores Equipment			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1940	Tools, Shop & Garage Equipment	\$ 6,426	10.00	10.00%	\$ 5,500	\$ 5,500	\$ 0	\$ 643		\$ 5,821
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	\$ 30,723	40.28	2.48%	\$ 13,376	\$ 13,011	\$ 365	\$ 763		\$ 13,758
	Total	\$ 432,454			\$ 352,318	\$ 360,165	\$ 7,847	\$ 38,079	\$ 26,450	\$ 344,908

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

Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2012 and has adopted IFRS for financial reporting purposes effective January 1, 2015.

2015 MIFRS

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	2015 Depreciation Expense ¹ (h)=2014 Full Year Depreciation + ((d)*0.5)/(f)	2015 Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ² (m) = (h) - (l)	Depreciation Expense on 2015 Full Year Additions (n)=(d)/(f)	Less Depreciation Expense on Assets Fully Depreciated during the year (o)	2015 Full Year Depreciation ³ (p) = 2014 Full Year Depreciation + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 6,743	5.00	20.00%	\$ 47,713	\$ 47,713	\$ 0	\$ 1,349	\$ 14,026	\$ 34,361
1612	Land Rights (Formally known as Account 1906)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1805	Land	\$ 7,362		0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1808	Buildings	\$ 2,150	50.00	2.00%	\$ 2,037	\$ 2,029	\$ 8	\$ 43		\$ 2,058
1810	Leasehold Improvements			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1815	Transformer Station Equipment >50 kV			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1820	Distribution Station Equipment <50 kV (Substations)	\$ 261,305	45.00	2.22%	\$ 12,161	\$ 20,773	\$ 32,934	\$ 5,807		\$ 15,065
1820	Distribution Station Equipment <50 kV (Wholesale Meters)	\$ 17,934	25.00	4.00%	\$ 13,940	\$ 13,940	\$ 0	\$ 717		\$ 14,298
1825	Storage Battery Equipment			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1830	Poles, Towers & Fixtures	\$ 67,189	45.00	2.22%	\$ 16,755	\$ 16,750	\$ 4	\$ 1,493	\$ 32	\$ 17,469
1835	Overhead Conductors & Devices	\$ 41,417	60.00	1.67%	\$ 28,178	\$ 28,304	\$ 127	\$ 690		\$ 28,523
1840	Underground Conduit	\$ 1,231	50.00	2.00%	\$ 1,283	\$ 1,283	\$ 0	\$ 25		\$ 1,295
1845	Underground Conductors & Devices	\$ 11,558	40.00	2.50%	\$ 20,169	\$ 20,169	\$ 0	\$ 289		\$ 20,314
1850	Line Transformers	\$ 57,648	45.00	2.22%	\$ 23,972	\$ 23,947	\$ 25	\$ 1,281	\$ 10	\$ 24,603
1855	Services (Overhead & Underground)	\$ 17,911	60.00	1.67%	\$ 4,990	\$ 4,991	\$ 0	\$ 299		\$ 5,140
1860	Meters	\$ -	25.00	4.00%	\$ 7,393	\$ 7,191	\$ 202	\$ -		\$ 7,393
1860	Meters (Smart Meters)	\$ 14,327	15.00	6.67%	\$ 77,677	\$ 77,818	\$ 141	\$ 955	\$ 148	\$ 78,007
1905	Land			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1908	Buildings & Fixtures			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1910	Leasehold Improvements			0.00%	\$ 880	\$ 880	\$ 0	\$ -		\$ 880
1915	Office Furniture & Equipment (10 years)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1915	Office Furniture & Equipment (5 years)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1920	Computer Equipment - Hardware	\$ 14,761	5.00	20.00%	\$ 18,467	\$ 18,547	\$ 80	\$ 2,952	\$ 2,087	\$ 17,856
1920	Computer Equip.-Hardware for Smart Meters	\$ 39,470	5.00	20.00%	\$ 3,947	\$ 35,523	\$ 31,576	\$ 7,894	\$ 3,947.00	\$ 3,947
1920	Computer Equip.-Hardware(Post Mar. 19/07)			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1930	Transportation Equipment	\$ 48,250	5.00	20.00%	\$ 90,006	\$ 90,006	\$ 0	\$ 9,650	\$ 3,824	\$ 91,007
1935	Stores Equipment			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1940	Tools, Shop & Garage Equipment	\$ 3,619	10.00	10.00%	\$ 6,002	\$ 6,002	\$ 0	\$ 362	\$ 609	\$ 5,574
1945	Measurement & Testing Equipment			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1950	Power Operated Equipment			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1955	Communications Equipment	\$ 25,511	5.00	20.00%	\$ 2,551	\$ 2,551	\$ 0	\$ 5,102		\$ 5,102
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	\$ -	15.00	6.67%	\$ -	\$ -	\$ -	\$ -		\$ -
1985	Miscellaneous Fixed Assets			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1990	Other Tangible Property			0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1995	Contributions & Grants	\$ 5,200	45.00	2.22%	\$ 13,815	\$ 14,066	\$ 251	\$ 116		\$ 13,873
	Total	\$ 633,187			\$ 364,304	\$ 362,804	\$ 1,501	\$ 38,792	\$ 24,681	\$ 359,019
	Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets)									
	Total Depreciation expense to be included in the test year revenue requirement				\$ 364,304					

Appendix 2-CF
Depreciation and Amortization Expense

Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2012 and has adopted IFRS for financial reporting purposes effective January 1, 2015.

2016 MIFRS

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	2016 Depreciation Expense ¹ (h)=2015 Full Year Depreciation + ((d)*0.5)/(f)	2016 Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ² (m) = (h) - (l)
1611	Computer Software (Formally known as Account 1925)	\$ 15,000	5.00	20.00%	\$ 35,861	\$ 35,861	\$ 0
1612	Land Rights (Formally known as Account 1906)			0.00%	\$ -	\$ -	\$ -
1805	Land			0.00%	\$ -	\$ -	\$ -
1808	Buildings			0.00%	\$ 2,058	\$ 2,051	\$ 8
1810	Leasehold Improvements			0.00%	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV			0.00%	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV (Substations)	\$ 78,000	45.00	2.22%	\$ 15,931	\$ 15,883	\$ 48
1820	Distribution Station Equipment <50 kV (Wholesale Meters)	\$ -	25.00	4.00%	\$ 14,298	\$ 14,298	\$ 0
1825	Storage Battery Equipment			0.00%	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 102,268	45.00	2.22%	\$ 18,605	\$ 18,499	\$ 107
1835	Overhead Conductors & Devices	\$ 97,261	60.00	1.67%	\$ 29,333	\$ 29,344	\$ -11
1840	Underground Conduit			0.00%	\$ 1,295	\$ 1,295	\$ 0
1845	Underground Conductors & Devices			0.00%	\$ 20,314	\$ 20,314	\$ 0
1850	Line Transformers	\$ 69,832	45.00	2.22%	\$ 25,379	\$ 25,340	\$ 39
1855	Services (Overhead & Underground)	\$ 22,200	60.00	1.67%	\$ 5,325	\$ 5,325	\$ 0
1860	Meters	\$ -	25.00	4.00%	\$ 7,393	\$ 7,191	\$ 202
1860	Meters (Smart Meters)	\$ 8,895	15.00	6.67%	\$ 78,303	\$ 78,592	\$ -289
1905	Land			0.00%	\$ -	\$ -	\$ -
1908	Buildings & Fixtures			0.00%	\$ -	\$ -	\$ -
1910	Leasehold Improvements			0.00%	\$ 880	\$ 880	\$ 0
1915	Office Furniture & Equipment (10 years)			0.00%	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (5 years)			0.00%	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 15,000	5.00	20.00%	\$ 19,356	\$ 19,436	\$ -80
1920	Computer Equip.-Hardware for Smart Meters	\$ -	5.00	20.00%	\$ 3,947	\$ 3,947	\$ 0
1920	Computer Equip.-Hardware(Post Mar. 19/07)			0.00%	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 390,000	8.00	12.50%	\$ 115,382	\$ 115,382	\$ 0
1935	Stores Equipment			0.00%	\$ -	\$ -	\$ -
1940	Tools, Shop & Garage Equipment	\$ 10,000	10.00	10.00%	\$ 6,074	\$ 6,489	\$ -415
1945	Measurement & Testing Equipment			0.00%	\$ -	\$ -	\$ -
1950	Power Operated Equipment			0.00%	\$ -	\$ -	\$ -
1955	Communications Equipment	\$ -		0.00%	\$ 5,102	\$ 5,102	\$ 0
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	\$ -	15.00	6.67%	\$ -	\$ -	\$ -
1985	Miscellaneous Fixed Assets			0.00%	\$ -	\$ -	\$ -
1990	Other Tangible Property			0.00%	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 161,526	48.48	2.06%	\$ 15,539	\$ 15,790	\$ 251
	Total	\$ 646,930			\$ 389,299	\$ 389,439	\$ -140
	Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets)						
	Total Depreciation expense to be included in the test year revenue requirement				\$ 389,299		

Ex.4/Tab 4/Sch.3 - Typical Useful Lives Study

RSL has been using the typical useful lives from the Kinectrics study since January 1, 2012.

Table 4.23 below shows a comparison of Depreciation Rates that were approved in the Applicant's last Cost of Service rate application (EB-2011-0274) and the Proposed Changes.

Table 4.23: Comparison of Depreciation Rates

USoA Account Number	USoA Account Description	Current (EB-2011-0274)	Proposed Years
1611	Computer Equipment - Software	5	5
1808	Buildings - Station Buildings	50	50
1820	Distribution Station Equipment - Substations	45	45
1820	Distribution Station Equipment - Switchgear	40	40
1820	Distribution Station Equipment - Wholesale meters	25	25
1830	Poles, Towers and Fixture - Fully Dressed Wood Poles	45	45
1835	Overhead Conductors & Devices	60	60
1840	Underground Conduit	50	50
1845	Underground Conductors & Devices	40	40
1850	Line Transformers	45	45
1850	Line Transformers	45	45
1855	Services	60	60
1860	Meters - Industrial/Commercial Energy Meters	25	25
1860	Meters - Smart Meters	15	15
1910	Leasehold Improvements	10	10
1920	Computer Equipment - Hardware	5	5
1930	Transportation Equipment - Trucks & Buckets	8	8
1930	Transportation Equipment - Trailers	10	10
1930	Transportation Equipment - Pickup Trucks	5	5
1940	Tools, Shops Garage Equipment	10	10
1955	Communications Equipment - Phone System	5	5
1955	Communication Equipment	5	5
1980	System Supervisory Equipment	15	15

Table 4.24 below, consistent with Board Appendix 2-BB, provides a summary of the life comparison between RSL's selected useful lives and those provided in Table F-1 of the Kinectrics Report.

Table 4.24: Appendix 2-BB Service Life Comparison

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

Parent*	#	Asset Details		Useful Life			USoA Account Number	USoA Account Description	Current		Proposed		Outside Range of Min, Max TUL?	
		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	35	45	75	1630	Poles, Towers and Fixture - Fully Dressed Wood Poles	45	2%	45	2%	No	No
			Cross Arm	20	40	55								
			Wood Steel	30	70	95								
	2	Fully Dressed Concrete Poles	Overall	50	60	90								
			Cross Arm	20	40	55								
			Wood Steel	30	70	95								
	3	Fully Dressed Steel Poles	Overall	60	60	90								
			Cross Arm	20	40	55								
			Wood Steel	30	70	95								
	4	OH Line Switch		30	45	55								
	5	OH Line Switch Motor		15	25	25								
TS & MS	6	OH Line Switch RTU		15	20	20								
	7	OH Integral Switches		35	45	60								
	8	OH Conductors		50	60	75	1035	Overhead Conductors & Devices	60	2%	60	2%	No	No
	9	OH Transformers & Voltage Regulators		30	40	60	1650	Line 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	1620	Distribution Station Equipment - Substations	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								
UG	15	Station DC System	Overall	10	20	30								
			Battery Bank	10	15	15								
			Charger	20	20	30								
	16	Station Metal Clad Switchgear	Overall	30	40	60	1620	Distribution Station Equipment - Switchgear	40	3%	40	3%	No	No
			Removable Breaker	25	40	60								
	17	Station Independent Breakers		35	45	65								
	18	Station Switch		30	50	60								
	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								
S	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								
	29	Primary TR XLPE Cables in Duct		35	40	55	1045	Underground Conductors & Devices	40		40	3%	No	No
	30	Secondary PILC Cables		70	75	80								
	31	Secondary Cables Direct Buried		25	35	40								
	32	Secondary Cables in Duct		35	40	60	1655	Services	60	2%	60	2%	No	No
	33	Network Transformers	Overall	20	35	50								
			Protector	20	35	40								
S	34	Pad-Mounted Transformers		25	40	45	1050	Line Transformers	45	2%	45	2%	No	No
	35	Submersible/Vault Transformers		25	35	45								
	36	UG Foundation		35	55	70	1840	Underground Conduit	50	2%	50	2%	No	No
	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	65								
	41	Concrete Encased Duct Banks		35	55	80								
	42	Cable Chambers		50	60	80								
	43	Remote SCADA		15	20	30	1980	System Supervisory Equipment	15	7%	15	7%	No	No

Table F-2 from Kinetrics Report¹

	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	1955	Communications Equipment - Phone System	5	20%	5	20%	No	No
2	Vehicles	Trucks & Buckets	5	15	1930	Transportation Equipment - Trucks & Buckets	8	13%	8	13%	No	No
		Trailers	5	20	1930	Transportation Equipment - Trailers	10	10%	10	10%	No	No
		Vans	5	10	1930	Transportation Equipment - Pickup Trucks	5	20%	5	20%	No	No
3	Administrative Buildings		50	75								
4	Leasehold Improvements		Lease dependent		1910	Leasehold Improvements	10	10%	10	10%		
5	Station Buildings	Station Buildings	50	75	1808	Buildings -Station Buildings	50	2%	50	2%	No	No
		Parking	25	30								
		Fence	25	60								
		Roof	20	30								
6	Computer Equipment	Hardware	3	5	1920	Computer Equipment - Hardware	5	20%	5	20%	No	No
		Software	2	5	1611	Computer Equipment - Software	5	20%	5	20%	No	No
		Power Operated	5	10								
7	Equipment	Stores	5	10								
		Tools, Shop, Garage Equipment	5	10	1940	Tools, Shops, Garage Equipment	10	10%	10	10%	No	No
		Measurement & Testing Equipment	5	10								
8	Communication	Towers	60	70								
		Wireless	2	10	1955	Communication Equipment	5	20%	5	20%	No	No
9	Residential Energy Meters		25	35								
10	Industrial/Commercial Energy Meters		25	35	1060	Meters - Industrial/Commercial Energy Meters	25	4%	25	4%	No	No
11	Wholesale Energy Meters		15	30	1620	Distribution Station Equipment - Wholesale met	25	4%	25	4%	No	No
12	Current & Potential Transformer (CT & PT)		35	50								
13	Smart Meters		5	15								
14	Repeaters - Smart Metering		10	15	1960	Meters - Smart Meters	15	7%	15	7%	No	No
15	Data Collectors - Smart Metering		15	20								

Ex.4/Tab 4/Sch.4 - Depreciation Expense Associated with Retirement Obligation

At this time, RSL does not have any Asset Retirement Obligations, associated depreciation or accretion expenses in relation to asset retirement obligations to report as part of the application.

Ex.4/Tab 4/Sch.5 - Depreciation and Amortization Policy

Standard: IAS 16 – Property, Plant and Equipment

Topic: Componentization and Depreciation

Objective: To document RSL's accounting policy on componentization and depreciation of property, plant and equipment.

Background: Each part of an item of property, plant and equipment (PP&E) with a cost that is significant in relation to the total cost of the item, shall be depreciated separately.

Using the Kinectrics Inc. Asset Amortization Study dated April 28, 2010, Report K-418022-RA0001-R003, prepared for the Ontario Energy Board, RSL, adopted the Typical Useful Lives ("TUL") for fixed assets, as RSL has no better data on which to determine the TUL, and experience has shown that the TUL in the report is closer to the actual useful lives being experienced, than under former practices.

Depreciation is to be calculated on a systematic basis over the estimated useful life of the item after deducting its residual value when fully depreciated. In practice, the residual value of an asset is often insignificant and therefore immaterial in the calculation of the depreciable amount.

The residual value and the useful life of an asset shall be reviewed at least at each financial year-end, and, if expectations differ from previous estimates, the change(s) shall be accounted for as a change in an accounting estimate in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Depreciation of an asset begins when it is available for use (i.e. when it is in the location and in the condition necessary for it to be capable of operating in the manner as intended).

Depreciation of an asset ceases, at the earlier of the date that the asset is classified as held for sale, in accordance with IFRS 5, and the date that the asset is derecognized.

Topic: Capitalization – Overheads

Objective: To document the accounting policy on the capitalization of overheads.

The cost of an item of PP&E is recognized as an asset if and only if:

- a) It is probable that future economic benefits will flow to the company, and
- b) The cost of the item can be measured reliably.

The cost of an item of PP&E includes any costs that are directly attributable to bringing the asset to the location, and condition necessary for it to be capable of operating in the manner intended.

Certain costs are explicitly prohibited from inclusion as costs of an item of PP&E:

- c) Costs of opening a new facility;
- d) Costs of introducing a new product or service (including advertising and promotion);
- e) Costs of conducting business in a new location or with a new class of customer (including costs of staff training);
- f) Administration and other general overhead costs; and
- g) Day-to-day servicing costs.

IAS 16 does not indicate what constitutes an item of PP&E. Judgement is required when applying the core principle.

Practices:

Directly Attributable:

The cost must be directly attributed to a specific item of PP&E at the time it is incurred. The incurrence of that cost should aid directly in the construction effort making the asset more capable of being used than if the cost had not been incurred.

Payroll Burden:

Payroll allocation consists of the following benefits paid for employees: health benefits, vacations, sick leave, statutory holidays, WSIB, and the company portion of OMERS, CPP, and EI. IAS 16 specifically allows for benefits as defined in IAS 19 to be included as a directly attributable cost. The payroll burden is allocated to capital based upon payroll dollars charged to capital.

Vehicle Burden:

The vehicle burden is allocated to capital based on the time that the vehicle is used on the job site, thus establishing the fact that the use of the vehicle is directly attributable to an item of PP&E.

Under IFRS, the following costs will not be capitalized:

- General and administrative overhead
- Day-to-day servicing costs – day-to-day servicing costs are defined as costs of labour and consumables and may include the cost of small parts. The purpose of these expenditures is often described as for the “repairs and maintenance” of the item of PP&E.
- Under IFRS, training costs cannot be capitalized, but training on how to use a piece of equipment can be capitalized.

Ex.4/Tab 4/Sch.6 - Adoption of Half Year Rule

RSL confirms that it has applied the half-year rule for the purpose of computing the net book value of Property, Plant and Equipment and General Plant to include in rate base. Under the half-year rule acquisitions and investments made during the year are amortized assuming they entered service at the mid-point of the year.

Taxes or Payments In Lieu of Taxes (PILs) and Property Taxes

Ex.4/Tab 5/Sch.1 - Overview of PILs

RSL is required to make payments in lieu of income taxes (“taxes”) based on its taxable income. RSL files Federal/Provincial tax returns annually. There have been no special circumstances that would require specific tax planning measures to minimize taxes payable. There are no outstanding audits, reassessments or disputes related to the tax returns filed by RSL.

There are no non-utility activities included in RSL’s financial results, therefore the entire amount of PILs payable is considered in the proposed allowance to be included in the revenue requirement.

RSL has used the OEB Tax Work Form model to calculate the amount of taxes for inclusion in its 2016 rates. PILs have been calculated under MIFRS accounting policies.

Table 4.25 summarizes RSL’s taxes for the 2012, 2013, and 2014 Historical Years, 2015 Bridge Year and 2016 Test Year.

Table 4.25: Tax Provision for the Test Year

	2012	2013	2014	2015	2016
Net Income before taxes	\$ 187,139	\$ 404,353	\$ 270,839	\$ 230,075	\$ 258,816
Plus: Depreciation	543,010	329,924	338,092	328,290	389,439
Gain/Loss on disposal of assets	- 700	8,678	5,665	5,529	7,780
Capital Cost Allowance	- 458,219	- 498,863	- 499,783	- 499,531	- 543,312
Change in Employee Future Benefits				2,047	2,000
Taxable Income	<u>\$ 271,230</u>	<u>\$ 244,092</u>	<u>\$ 114,813</u>	<u>\$ 66,410</u>	<u>\$ 114,723</u>
Income Taxes	15.5% 42,041	15.5% 37,834	15.5% 17,796	15.5% 10,294	15.0% 17,209
Recovery of Corporate Minimum Tax	- 12,205	- 3,377			
Provision for PILS	<u>29,836</u>	<u>34,457</u>	<u>17,796</u>	<u>10,294</u>	<u>17,209</u>

Ex.4/Tab 5/Sch.2 - Property Taxes

RSL pays property taxes to the Town of Prescott for its office building and municipal substations. RSL pays property taxes to the Municipality of South Dundas and the Township of Edwardsburgh/Cardinal for municipal substations. In addition, RSL pays a Payment in Lieu of Property Tax to the Ministry of Finance. Table 4.26 shows RSL's payments for property taxes from 2012 to 2015, plus the amount proposed in this application.

Table 4.26: Summary of Property Taxes

	2012	2013	2014	2015	2016
Prescott	\$ 13,274	\$ 13,263	\$ 13,122	\$ 13,034	\$ 13,088
South Dundas	2,479	2,507	2,505	2,536	2,560
Edwardsburgh/Cardinal	727	741	749	757	765
Ministry of Finance	2,270	2,175	2,063	1,968	1,987
	\$ 18,750	\$ 18,686	\$ 18,439	\$ 18,295	\$ 18,400

Ex.4/Tab 5/Sch.3 - Latest Filed Tax Return, Tax Assessments and Correspondence

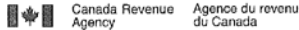
The utility's latest tax return is presented at the next page.

2015 Provincial Tax Return

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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
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Identification	
Business number (BN) 001 86485 1993 RC0001	
Corporation's name 002 Rideau St. Lawrence Distribution Inc.	
Address of head office Has this address changed since the last time we were notified? 010 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> (If yes, complete lines 011 to 018.) 011 P.O. Box 699 012 985 Industrial Road City Province, territory, or state 015 Prescott 016 ON Country (other than Canada) Postal code/Zip code 017 018 KOE 1T0	
Mailing address (if different from head office address) Has this address changed since the last time we were notified? 020 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> (If yes, complete lines 021 to 028.) 021 c/o 022 023 City Province, territory, or state 025 Prescott 026 ON Country (other than Canada) Postal code/Zip code 027 028 KOE 1T0	
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 <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> (If yes, complete lines 031 to 038.) 031 P.O. Box 699 032 985 Industrial Road City Province, territory, or state 035 Prescott 036 ON Country (other than Canada) Postal code/Zip code 037 038 KOE 1T0	
040 Type of corporation at the end of the tax year 1 <input checked="" type="checkbox"/> Canadian-controlled private corporation (CCPC) 4 <input type="checkbox"/> Corporation controlled by a public corporation 2 <input type="checkbox"/> Other private corporation 5 <input type="checkbox"/> Other corporation (specify, below) 3 <input type="checkbox"/> 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 Tax year-end 061 2015-12-31 YYYY MM DD YYYY MM DD Has there been an acquisition of control to which subsection 249(4) applies since the tax year start on line 060? 063 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 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 <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Is this the first year of filing after: Incorporation? 070 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Amalgamation? 071 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 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 <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete and attach Schedule 24. Is this the final tax year before amalgamation? 076 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Is this the final return up to dissolution? 078 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If an election was made under section 261, state the functional currency used 079 Is the corporation a resident of Canada? 080 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/> 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 <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Exempt under paragraph 149(1)(e) or (l) 2 <input type="checkbox"/> Exempt under paragraph 149(1)(j) 3 <input type="checkbox"/> Exempt under paragraph 149(1)(l) 4 <input type="checkbox"/> Exempt under other paragraphs of section 149	
Do not use this area	
095	096
898	

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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?	150 <input checked="" type="checkbox"/>	9
Is the corporation an associated CCPC?	160 <input checked="" type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161 <input type="checkbox"/>	49
Does the corporation have any non-resident shareholders who own voting shares?	151 <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	162 <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?	163 <input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164 <input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165 <input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter?	166 <input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	167 <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)?	168 <input type="checkbox"/>	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169 <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 Income Tax Regulations?	170 <input type="checkbox"/>	29
Did the corporation have a total amount over \$1 million of reportable transactions with non-arm's length non-residents?	171 <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?	173 <input checked="" type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172 <input type="checkbox"/>	
Does the corporation earn income from one or more Internet webpages or websites?	180 <input type="checkbox"/>	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201 <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?	202 <input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 <input checked="" type="checkbox"/>	3
Is the corporation claiming any type of losses?	204 <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?	205 <input checked="" type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206 <input type="checkbox"/>	6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or		
ii) does the corporation have aggregate investment income at line 440?	207 <input type="checkbox"/>	7
Does the corporation have any property that is eligible for capital cost allowance?	208 <input checked="" type="checkbox"/>	8
Does the corporation have any property that is eligible capital property?	210 <input type="checkbox"/>	10
Does the corporation have any resource-related deductions?	212 <input type="checkbox"/>	12
Is the corporation claiming deductible reserves (other than transitional reserves under section 34.2)?	213 <input type="checkbox"/>	13
Is the corporation claiming a patronage dividend deduction?	216 <input type="checkbox"/>	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217 <input type="checkbox"/>	17
Is the corporation an investment corporation or a mutual fund corporation?	218 <input type="checkbox"/>	18
Is the corporation carrying on business in Canada as a non-resident corporation?	220 <input type="checkbox"/>	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	221 <input type="checkbox"/>	21
Does the corporation have any Canadian manufacturing and processing profits?	227 <input type="checkbox"/>	27
Is the corporation claiming an investment tax credit?	231 <input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232 <input type="checkbox"/>	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	233 <input type="checkbox"/>	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	234 <input type="checkbox"/>	
Is the corporation claiming a surtax credit?	237 <input type="checkbox"/>	37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238 <input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit?	242 <input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243 <input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244 <input type="checkbox"/>	45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249 <input type="checkbox"/>	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250 <input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit refund?	253 <input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit refund?	254 <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.)	255 <input type="checkbox"/>	92

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Attachments – continued from page 2

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

Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	1 Yes <input checked="" type="checkbox"/>	2 No <input type="checkbox"/>
Is the corporation inactive?	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution			
Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	284 Electricity Distribution	285 100.000 %	
	286	287 %	
	288	289 %	
Did the corporation immigrate to Canada during the tax year?	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the tax year?	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	1 Yes <input checked="" 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	66,410	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")		66,410	C
Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C plus amount D)	360	66,410	
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)		66,410	Z
Taxable income for the year from a personal services business**			Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 8.

** For a taxation year that ends after 2015.

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Small business deduction			
Canadian-controlled private corporations (CCPCs) throughout the tax year			
Income from active business carried on in Canada from Schedule 7	400	66,410	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	66,410	B
Business limit (see notes 1 and 2 below)	225,000	C.1	
Corporation's business limit amount assigned to related CCPCs by virtue of the rules proposed in the March 22, 2016 Federal Budget (For more information, consult the Help (F1).)		C.2	
Business limit after assignment (amount C.1 minus amount C.2)	225,000	410	225,000 C
Notes:			
1. 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.			
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.			
Business limit reduction:			
Amount C 225,000 x 415 ***	D	=	E
	11,250		
Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	225,000	F
Small business deduction			
Amount A, B, C, or F, whichever is the least	66,410	x	
		Number of days in the tax year before January 1, 2016	
		365	
		Number of days in the tax year	
		365	
		x	17 % =
			11,290 1
Amount A, B, C, or F, whichever is the least	66,410	x	
		Number of days in the tax year after December 31, 2015, and before January 1, 2017	
		365	
		Number of days in the tax year	
		365	
		x	17.5 % =
			2
Total of amounts 1 and 2 (enter amount G on line I on page 7)	430	11,290	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.			

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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)		66,410	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		66,410	F
Aggregate investment income from line 440 on page 6*			G
Subtotal (add amounts B to G)		66,410	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.			

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Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 **440** $\times (26 \text{ } 2 / 3 + 4 \times \frac{\text{Number of days in the tax year after 2015}}{365})\%$ = **A**

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

Deduct:

Foreign investment income **445** $\times (9 \text{ } 1 / 3 - 1 \text{ } 1 / 3 \times \frac{\text{Number of days in the tax year after 2015}}{365})\%$ = **C**

(if negative, enter "0") **D**

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

Taxable income from line 360 on page 3 **66,410 F**

Deduct:

Amount from line 400, 405, 410, or 425 on page 4, whichever is the least **66,410 G**

Foreign non-business income tax credit from line 632 on page 7 $\times 100 / 35$ = **H**

Foreign business income tax credit from line 636 on page 7 $\times 4$ = **I**

Subtotal **66,410 J**

$K \times (26 \text{ } 2 / 3 + 4 \times \frac{\text{Number of days in the tax year after 2015}}{365})\%$ = **L**

Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 8) **7,305 M**

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

Refundable dividend tax on hand

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

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

..... **O**

Add the total of:

Refundable portion of Part I tax from line 450 above **P**

Total Part IV tax payable from Schedule 3 **Q**

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

..... **R**

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

Dividend refund

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

Taxable dividends paid in the tax year from line 480 on page 2 of Schedule 3 **160,000** $\times [(1 \text{ } 1 / 3) + (5 \times \frac{\text{Number of days in the tax year after 2015}}{365})\%]$ = **53,333 S**

Refundable dividend tax on hand at the end of the tax year from line 485 above **T**

Dividend refund – Amount S or T, whichever is less **U**

Enter amount U on line 784 on page 8.

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Part I tax	
Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) multiplied by 38 %* . . . 550	25,236 A
* If an amount of taxable income for the year from a personal services business has been entered on line Z.1, the result of the following calculation will be added to the amount on line 550:	
Amount Z.1 x $\frac{\text{Number of days in the taxation year that are after 2015}}{\text{Number of days in the taxation year 365}}$ x 5 % = A.1	
Recapture of investment tax credit from Schedule 31	602 B
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)	
Aggregate investment income from line 440 on page 6	C
Taxable income from line 360 on page 3	66,410 D
Deduct:	
Amount from line 400, 405, 410, or 425 on page 4, whichever is the least	66,410 E
Net amount (amount D minus amount E)	F
Refundable tax on CCPC's investment income – Number of days in the tax year after 2015 (6 2 / 3 + 4 x $\frac{365}{\text{Number of days in the tax year}}$) % of whichever is less: amount C or amount F	
	604 G
Subtotal (add amounts A, B, and G)	25,236 H
Deduct:	
Small business deduction from line 430 on page 4	11,290 I
Federal tax abatement	608 6,641
Manufacturing and processing profits deduction from Schedule 27	616
Investment corporation deduction	620
Taxed capital gains 624	
Additional deduction – credit unions from Schedule 17	628
Federal foreign non-business income tax credit from Schedule 21	632
Federal foreign business income tax credit from Schedule 21	636
General tax reduction for CCPCs from amount J on page 5	638
General tax reduction from amount R on page 5	639
Federal logging tax credit from Schedule 21	640
Eligible Canadian bank deduction under section 125.21	641
Federal qualifying environmental trust tax credit	648
Investment tax credit from Schedule 31	652
Subtotal	17,931 J
Part I tax payable – Amount H minus amount J	7,305 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.

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Summary of tax and credits

Federal tax

Part I tax payable from amount K on page 7	700	7,305
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		7,305

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 2,988
Total tax payable 770 10,293 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	17,796
Total credits	890	17,796 B

Refund code 894 1 Overpayment 7,503 Balance (amount A minus amount B) -7,503

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
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 A3569

Certification

I, 950 SOULES Last name (print) 951 PETER First name (print) 954 CFO 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 2016-06-15 Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation 956 (613) 925-3851 Telephone number
Is the contact person the same as the authorized signing officer? If no, complete the information below . . . 957 1 Yes ☒ 2 No ☐
958 Name (print) 959 Telephone number

Language of correspondence – Langue de correspondance

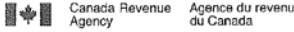
Indicate your language of correspondence by entering 1 for English or 2 for French.
Indiquez votre langue de correspondance en inscrivant 1 pour anglais ou 2 pour français.

990 1

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Rideau St. Lawrence Distribution Inc.
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SCHEDULE 100

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF

Corporation's name	Business number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 RC0001	2015-12-31

Balance sheet information

Account	Description	GIFI	Current year	Prior year
Assets				
	Total current assets	1599 +	3,703,920	4,012,271
	Total tangible capital assets	2008 +	6,375,245	8,664,018
	Total accumulated amortization of tangible capital assets	2009 -	705,672	3,289,886
	Total intangible capital assets	2178 +		
	Total accumulated amortization of intangible capital assets	2179 -		
	Total long-term assets	2589 +	763,224	551,685
	* Assets held in trust	2590 +		
	Total assets (mandatory field)	2599 =	10,136,717	9,938,088
Liabilities				
	Total current liabilities	3139 +	5,007,393	3,915,853
	Total long-term liabilities	3450 +	1,016,564	2,121,315
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 =	6,023,957	6,037,168
Shareholder equity				
	Total shareholder equity (mandatory field)	3620 +	4,112,760	3,900,920
	Total liabilities and shareholder equity	3640 =	10,136,717	9,938,088
Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849 =	1,596,935	1,389,797

* Generic item

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SCHEDULE 125

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIF

Corporation's name	Business number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 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
Income statement information				
	Total sales of goods and services	8089 +	16,021,870	14,826,680
	Cost of sales	8518 -	13,517,734	12,377,941
	Gross profit/loss	8519 =	2,504,136	2,448,739
	Cost of sales	8518 +	13,517,734	12,377,941
	Total operating expenses	9367 +	2,556,556	2,421,650
	Total expenses (mandatory field)	9368 =	16,074,290	14,799,591
	Total revenue (mandatory field)	8299 +	16,304,365	15,070,430
	Total expenses (mandatory field)	9368 -	16,074,290	14,799,591
	Net non-farming income	9369 =	230,075	270,839

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 =	230,075	270,839
--	--	--------	---------	---------


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

Extraordinary items and income (linked to Schedule 140)				
	Extraordinary item(s)	9975 -		
	Legal settlements	9976 -		
	Unrealized gains/losses	9980 +		
	Unusual items	9985 -		
	Current income taxes	9990 -	10,429	17,660
	Future (deferred) income tax provision	9995 -	26,139	
	Total – Other comprehensive income	9998 +		
	Net income/loss after taxes and extraordinary items (mandatory field)	9999 =	193,507	253,179

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Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business Number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 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		193,507	A
Add:			
Provision for income taxes – current	101	10,429	
Provision for income taxes – deferred	102	26,139	
Amortization of tangible assets	104	328,290	
Loss on disposal of assets	111	5,529	
Subtotal of additions		370,387	
Other additions:			
Miscellaneous other additions:			
600 Change in future employee benefits	290	2,047	
604			
Total	294		
Subtotal of other additions	199	2,047	
Total (lines 101 to 199)	500	372,434	B
Amount A plus amount B		565,941	C
Deduct:			
Capital cost allowance from Schedule 8	403	499,531	
Subtotal of deductions		499,531	
Other deductions:			
Miscellaneous other deductions:			
704			
Total	394		
Subtotal of other deductions	499	0	
Total (lines 401 to 499)	510	499,531	D
Net income (loss) for income tax purposes (amount C minus amount D)		66,410	E
Enter amount E on line 300 of the T2 return.			

T2 SCH 1 E (15)

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001

Part 2 – Calculation of Part IV tax payable

Part IV tax before deductions (amount J in Part 1)

Deduct:

Part IV.I tax payable on dividends subject to Part IV tax **320**

Subtotal

Deduct:

Current-year non-capital loss claimed to reduce Part IV tax **330**

Non-capital losses from previous years claimed to reduce Part IV tax **335**

Current-year farm loss claimed to reduce Part IV tax **340**

Farm losses from previous years claimed to reduce Part IV tax **345**

Total losses applied against Part IV tax x 1 / 3 =

Part IV tax payable (enter amount on line 712 of the T2 return) **360**

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

A	B	C	D	D1
Name of connected recipient corporation	Business Number	Tax year end of connected recipient corporation in which the dividends in column D were received YYYY/MM/DD (See note)	Taxable dividends paid to connected corporations	Eligible dividends (included in column D)
400	410	420	430	
1 RSL Holdings Inc.	89170 9610 RC0001	2015-12-31	160,000	

Note
If your corporation's tax year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information for each tax year of the recipient corporation. For more details, consult the Help.

Total **160,000**

Total taxable dividends paid in the tax year to other than connected corporations **450**

Eligible dividends (included in line 450) 450a

Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column D above plus line 450) **460** **160,000**

Part 4 – Total dividends paid in the tax year

Complete this part if the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460 above) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above) **160,000**

Other dividends paid in the tax year (total of 510 to 540) **500**

Total dividends paid in the tax year **160,000**

Deduct:

Dividends paid out of capital dividend account **510**

Capital gains dividends **520**

Dividends paid on shares described in subsection 129(1.2) **530**

Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year **540**

Subtotal **160,000**

Total taxable dividends paid in the tax year that qualify for a dividend refund **160,000**

T2 SCH 3 E (10)

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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
66,410	66,410	66,410	2,988

Ontario basic income tax (from Schedule 500) 270 7,637

Deduct: Ontario small business deduction (from Schedule 500) 402 4,649

Subtotal 2,988 2,988 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) 2,988 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 political contributions tax credit (from Schedule 525) 415

Subtotal D6

Subtotal (amount C6 minus amount D6) (if negative, enter "0") 2,988 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") 2,988 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") 2,988 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) 2,988 I6

Deduct:

Ontario qualifying environmental trust tax credit 450

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

Ontario apprenticeship training tax credit (from Schedule 552) 454

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

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

Ontario production services tax credit (from Schedule 558) 460

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

Ontario sound recording tax credit (from Schedule 562) 464

Ontario book publishing tax credit (from Schedule 564) 466

Ontario innovation tax credit (from Schedule 566) 468

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

Subtotal J6

Net Ontario tax payable or refundable credit (amount I6 minus amount J6) 290 2,988 K6

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

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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	<div>255</div> <div>2,988</div>
If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return. If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.	

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Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business Number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 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 ☒ X

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	216	217	220
1.	1 distribution and buildings	3,553,134	2,150		0	1,075	3,554,209	4	0	0	142,168	3,413,116
2.	10 computer and vehicles	259,438	48,250		0	24,125	283,563	30	0	0	85,089	222,619
3.	8 Equipment	32,969	29,130		0	14,565	47,534	20	0	0	9,507	52,592
4.	45 Computer Equipment and Software	7,289	21,504		0	10,752	18,041	45	0	0	8,118	20,675
5.	46 Data Network Equip.	224			0		224	30	0	0	82	192
6.	47 Distribution and transmission eq	2,681,932	515,202		189	257,507	2,939,443	8	0	0	235,155	2,701,295
7.	50 Computer Hardware	35,330			0		35,330	55	0	0	19,432	15,898
	Totals	6,579,371	616,236		189	308,024	6,878,394				499,531	6,686,867

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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		616,236	
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):			
IFRS Adjustments	+	30,341	
	+	2	
Total additions per books	=	646,579	646,579
Proceeds up to original cost – Schedule 8 regular classes		189	
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):			
Amortization charged to Reg assets	+	22,072	
Amortization Charged in other areas	+	2,420	
Total proceeds per books	=	24,681	24,681
Depreciation and amortization per accounts – Schedule 1	-		328,290
Loss on disposal of fixed assets per accounts	-		5,529
Gain on disposal of fixed assets per accounts	+		
Net change per tax return	=		288,079

Financial statements


Fixed assets (excluding land) per financial statements			
Closing net book value		5,578,006	
Opening net book value	-	5,289,927	
Net change per financial statements	=		288,079

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

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 RC0001	2015-12-31

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

	Name	Country of residence (other than Canada)	Business number (see note 1)	Relationship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Rideau St. Lawrence Holdings Inc.		89170 9610 RC0002	1					
2.	Rideau St. Lawrence Utilities Inc.		89187 5817 RC0001	3					
3.	Rideau St. Lawrence Services Inc.		86485 1795 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

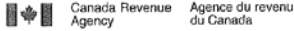
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Rideau St. Lawrence Distribution Inc.
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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit


- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
 - An associated CCPC that has more than one tax year ending in a calendar year, is required to file an agreement for each tax year ending in that calendar year.
- Column 1:** Enter the legal name of each of the corporations in the associated group. Include non-CCPCs and CCPCs that have filed an election under subsection 256(2) of the *Income Tax Act* not to be associated for purposes of the small business deduction.
- Column 2:** Provide the business number for each corporation (if a corporation is not registered, enter "NR").
- Column 3:** Enter the association code from the list below that applies to each corporation:
1 – Associated for purposes of allocating the business limit (unless code 5 applies)
2 – CCPC that is a "third corporation" that has elected under subsection 256(2) not to be associated for purposes of the small business deduction
3 – Non-CCPC that is a "third corporation" as defined in subsection 256(2)
4 – Associated non-CCPC
5 – Associated CCPC to which code 1 does not apply because of a subsection 256(2) election made by a "third corporation"
- Column 4:** Enter the business limit for the year of each corporation in the associated group.
- Column 5:** Assign a percentage to allocate the business limit to each corporation that has an association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.
- Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.
Ensure that the total at line A does not exceed \$500,000.

Allocating the business limit					
Date filed (do not use this area) 025 Year Month Day					
Enter the calendar year to which the agreement applies 050 Year 2015					
Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? 075 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>					
1 Names of associated corporations	2 Business number of associated corporations	3 Association code	4 Business limit for the year before the allocation \$	5 Percentage of the business limit %	6 Business limit allocated* \$
100	200	300		350	400
1 Rideau St. Lawrence Distribution Inc.	86485 1993 RC0001	1	500,000	45.0000	225,000
2 Rideau St. Lawrence Holdings Inc.	89170 9610 RC0002	1	500,000		
3 Rideau St. Lawrence Utilities Inc.	89187 5817 RC0001	1	500,000	45.0000	225,000
4 Rideau St. Lawrence Services Inc.	86485 1795 RC0001	1	500,000	10.0000	50,000
Total				100.0000	500,000 A

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Rideau St. Lawrence Distribution Inc.
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 Canada Revenue Agency
Agence du revenu du Canada

SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 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.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Provide only one number per shareholder				Percentage common shares	Percentage preferred shares
		Business Number (if a corporation is not registered, enter "NR")	Social insurance number	Trust number			
		200	300	350	400	500	
1	Rideau St. Lawrence Holdings Inc.	89170 9610 RC0001			100.000		
2							
3							
4							
5							
6							
7							
8							
9							
10							

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001

 Canada Revenue Agency
Agence du revenu du Canada

Schedule 500

Ontario Corporation Tax Calculation

Corporation's name	Business number	Tax year-end Year/Month/Day
Rideau St. Lawrence Distribution Inc.	86485 1993 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 * 66,410 B

Ontario basic income tax: amount B multiplied by Ontario basic rate of tax for the year (rate A from Part 1) 7,637 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.

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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)	66,410	1
Federal taxable income, less adjustment for foreign tax credit (amount from line 405 of the T2 return)	66,410	2
Federal business limit before the application of subsection 125(5.1) (amount from line 410 of the T2 return)	225,000	3
Ontario business limit reduction:		
Amount from line 3	225,000	a
Deduct:		
Amount from line E of the T2 return	$\frac{\text{Number of days in the tax year after May 1, 2014}}{\text{Number of days in the tax year}} \times \frac{365}{365} =$	b
Reduced Ontario business limit (amount a minus amount b) (if negative, enter "0")	225,000	4
Enter the least of amounts 1, 2, 3, and 4	66,410	D
Ontario domestic factor (ODF):	$\frac{\text{Ontario taxable income}^*}{\text{Taxable income earned in all provinces and territories}^{**}} = \frac{66,410.00}{66,410} =$	1.00000 E
Amount D × ODF (line E)	66,410	c
Ontario taxable income (amount B from Part 2)	66,410	d
Ontario small business income (lesser of amount c and amount d)	66,410	F
OSBD rate for the year	7%	G
Ontario small business deduction: amount F multiplied by rate G	4,649	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

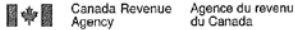
Complete this part if the corporation was a Canadian-controlled private corporation throughout the tax year and is claiming the Ontario tax credit for manufacturing and processing or the Ontario credit union tax reduction.

Ontario adjusted small business income (lesser of amount D and amount d from Part 3)	66,410	I
Enter amount I on line K in Part 5 of this schedule or on line B in Part 2 of Schedule 502, <i>Ontario Tax Credit for Manufacturing and Processing</i> , whichever applies.		

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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
Rideau St. Lawrence Distribution Inc.	86485 1993 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) Rideau St. Lawrence Distribution 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 2000-10-17	120 Ontario Corporation No. 1436681	

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

200 Care of (if applicable)			
210 Street number 985	220 Street name/Rural route/Lot and Concession number Industrial Road	230 Suite number	
240 Additional address information if applicable (line 220 must be completed first) PO Box 699			
250 Municipality (e.g., city, town) Prescott	260 Province/state ON	270 Country CA	280 Postal/zip code K0E 1T0

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."
☐ 2 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 SOULES Last name 451 PETER First name
454 _____ Middle name(s)

460 ☐ 2 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.

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Rideau St. Lawrence Distribution Inc.
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Corporate Taxpayer Summary

Corporate information																
Corporation's name Rideau St. Lawrence Distribution Inc.																
Taxation Year 2015-01-01 to 2015-12-31																
Jurisdiction Ontario																
BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Corporation is associated Y																
Corporation is related Y																
Number of associated corporations 3																
Type of corporation Canadian-Controlled Private Corporation																
Total amount due (refund) federal and provincial* -7,503																
* The amounts displayed on lines "Total amount due (refund) federal and provincial" are all listed in the help. Press F1 to consult the context-sensitive help.																

Summary of federal information	
Net income	66,410
Taxable income	66,410
Donations	
Calculation of income from an active business carried on in Canada	66,410
Dividends paid	160,000
Dividends paid – Regular	160,000
Dividends paid – Eligible	
Balance of the low rate income pool at the end of the previous year	
Balance of the low rate income pool at the end of the year	
Balance of the general rate income pool at the end of the previous year	
Balance of the general rate income pool at the end of the year	
Part I tax (base amount)	25,236
Credits against part I tax	Summary of tax
Small business deduction 11,290	Part I 7,305
M&P deduction	Part IV
Foreign tax credit	Part III.1
Investment tax credits	Other*
Abatement/Other* 6,641	Provincial or territorial tax 2,988
	Refunds/credits
	ITC refund
	Dividends refund
	Instalments 17,796
	Surtax credit
	Other*
	Balance due/refund (–) -7,503
* The amounts displayed on lines "Other" are all listed in the Help. Press F1 to consult the context-sensitive help.	

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Summary of provincial information – provincial income tax payable			
	Ontario	Québec (CO-17)	Alberta (AT1)
Net income	66,410		
Taxable income	66,410		
% Allocation	100.00		
Attributed taxable income	66,410		
Tax payable before deduction*	7,637		
Deductions and credits	4,649		
Net tax payable	2,988		
Attributed taxable capital	N/A		N/A
Capital tax payable**	N/A		N/A
Total tax payable***	2,988		
Instalments and refundable credits			
Balance due/Refund (-)	2,988		
Logging tax payable (COZ-1179)			
Tax payable	N/A		N/A
* For Québec, this includes special taxes.			
** For Québec, this includes compensation tax and registration fee.			
*** For Ontario, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations. The Balance due/Refund is included in the federal Balance due/refund.			

Summary – taxable capital

Federal

Corporate name	Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return
Rideau St. Lawrence Distribution Inc.	7,498,426	7,498,426	7,336,913	7,336,913
Rideau St. Lawrence Holdings Inc.				
Rideau St. Lawrence Utilities Inc.	120,181	120,181	517,408	517,408
Rideau St. Lawrence Services Inc.				
Total	7,618,607	7,618,607	7,854,321	7,854,321

Québec

Corporate name	Paid-up capital used to calculate the Québec business limit reduction (CO-771 and CO-771.1.3) and to calculate the additional deduction for transportation costs of remote manufacturing SMEs (CO-156.TR)	Paid-up capital used to calculate the tax credit for investment (CO-1029.8.36.IN)	Paid-up capital used to calculate the 1 million deduction (CO-1137.A and CO-1137.E)
Total			

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T2 Corporation Income Tax Return

200

EXEMPT FROM TAX

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

All legislative references on this return are to the federal *Income Tax Act* 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 86485 1993 RC0001	
Corporation's name 002 Rideau St. Lawrence Distribution Inc.	
Address of head office Has this address changed since the last time we were notified? 010 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> (If yes, complete lines 011 to 018.) 011 P.O. Box 699 012 985 Industrial Road City Province, territory, or state 015 Prescott 016 ON Country (other than Canada) Postal code/Zip code 017 018 K0E 1T0	
Mailing address (if different from head office address) Has this address changed since the last time we were notified? 020 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> (If yes, complete lines 021 to 028.) 021 c/o 022 023 City Province, territory, or state 025 026 Country (other than Canada) Postal code/Zip code 027 028	
Location of books and records (if different from head office address) Has the location of books and records changed since the last time we were notified? 030 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> (If yes, complete lines 031 to 038.) 031 P.O. Box 699 032 985 Industrial Road City Province, territory, or state 035 Prescott 036 ON Country (other than Canada) Postal code/Zip code 037 038 K0E 1T0	
040 Type of corporation at the end of the tax year 1 <input checked="" type="checkbox"/> Canadian-controlled private corporation (CCPC) 4 <input type="checkbox"/> Corporation controlled by a public corporation 2 <input type="checkbox"/> Other private corporation 5 <input type="checkbox"/> Other corporation (specify, below) 3 <input type="checkbox"/> 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 Tax year-end 061 2015-12-31 YYYY MM DD YYYY MM DD Has there been an acquisition of control to which subsection 249(4) applies since the tax year start on line 060? 063 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 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 <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Is this the first year of filing after: Incorporation? 070 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Amalgamation? 071 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 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 <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete and attach Schedule 24. Is this the final tax year before amalgamation? 076 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Is this the final return up to dissolution? 078 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If an election was made under section 261, state the functional currency used 079 Is the corporation a resident of Canada? 080 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/> 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 <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 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 <input type="checkbox"/> Exempt under paragraph 149(1)(e) or (l) 2 <input type="checkbox"/> Exempt under paragraph 149(1)(j) 3 <input type="checkbox"/> Exempt under paragraph 149(1)(t) 4 <input checked="" type="checkbox"/> Exempt under other paragraphs of section 149	
Do not use this area	
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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?	150 <input checked="" type="checkbox"/>	9
Is the corporation an associated CCPC?	160 <input checked="" type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161 <input type="checkbox"/>	49
Does the corporation have any non-resident shareholders who own voting shares?	151 <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	162 <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?	163 <input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164 <input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165 <input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter?	166 <input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	167 <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)?	168 <input type="checkbox"/>	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169 <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> ?	170 <input type="checkbox"/>	29
Did the corporation have a total amount over \$1 million of reportable transactions with non-arm's length non-residents?	171 <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?	173 <input checked="" type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172 <input type="checkbox"/>	
Does the corporation earn income from one or more Internet webpages or websites?	180 <input type="checkbox"/>	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201 <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?	202 <input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 <input checked="" type="checkbox"/>	3
Is the corporation claiming any type of losses?	204 <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?	205 <input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206 <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	207 <input type="checkbox"/>	7
ii) does the corporation have aggregate investment income at line 440?	208 <input checked="" type="checkbox"/>	8
Does the corporation have any property that is eligible for capital cost allowance?	210 <input type="checkbox"/>	10
Does the corporation have any property that is eligible capital property?	212 <input type="checkbox"/>	12
Does the corporation have any resource-related deductions?	213 <input type="checkbox"/>	13
Is the corporation claiming deductible reserves (other than transitional reserves under section 34.2)?	216 <input type="checkbox"/>	16
Is the corporation claiming a patronage dividend deduction?	217 <input type="checkbox"/>	17
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	218 <input type="checkbox"/>	18
Is the corporation an investment corporation or a mutual fund corporation?	220 <input type="checkbox"/>	20
Is the corporation carrying on business in Canada as a non-resident corporation?	221 <input type="checkbox"/>	21
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	227 <input type="checkbox"/>	27
Does the corporation have any Canadian manufacturing and processing profits?	231 <input type="checkbox"/>	31
Is the corporation claiming an investment tax credit?	232 <input type="checkbox"/>	T661
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	233 <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?	234 <input type="checkbox"/>	
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	237 <input type="checkbox"/>	37
Is the corporation claiming a surtax credit?	238 <input type="checkbox"/>	38
Is the corporation subject to gross Part VI tax on capital of financial institutions?	242 <input type="checkbox"/>	42
Is the corporation claiming a Part I tax credit?	243 <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?	244 <input type="checkbox"/>	45
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	249 <input type="checkbox"/>	46
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?		
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?	250 <input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit refund?	253 <input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit refund?	254 <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.)	255 <input type="checkbox"/>	92

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Attachments – continued from page 2

	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	<input checked="" type="checkbox"/> 271	T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN\$100,000?	<input type="checkbox"/> 259	T1135
Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/> 260	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/> 261	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/> 262	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	<input type="checkbox"/> 263	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/> 264	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	<input checked="" type="checkbox"/> 265	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	<input type="checkbox"/> 266	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	<input type="checkbox"/> 267	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	<input type="checkbox"/> 268	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	<input type="checkbox"/> 269	54

Additional information

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

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL.	300	66,410	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")		66,410	C
Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C plus amount D)	360	66,410	
Income exempt under paragraph 149(1)(t)	370		
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)			Z
Taxable income for the year from a personal services business**			Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 8.

** For a taxation year that ends after 2015.

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001

Small business deduction

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

Income from active business carried on in Canada from Schedule 7	400	66,410	A
Taxable income from line 360 on page 3, minus 100/28 3.57143 of the amount on line 632* on page 7, minus 4 times the amount on line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax	405		B
Business limit (see notes 1 and 2 below)	225,000	C.1	
Corporation's business limit amount assigned to related CCPCs by virtue of the rules proposed in the March 22, 2016 Federal Budget (For more information, consult the Help (F1).)		C.2	
Business limit after assignment (amount C.1 minus amount C.2)	225,000	410	225,000 C

Notes:

1. 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.
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction:

Amount C	225,000	x	415 ***	D	=		E
				11,250			
Reduced business limit (amount C minus amount E) (if negative, enter "0")				425		225,000	F

Small business deduction

Amount A, B, C, or F, whichever is the least	x	Number of days in the tax year before January 1, 2016	365	x	17 % =	1
		Number of days in the tax year	365			
Amount A, B, C, or F, whichever is the least	x	Number of days in the tax year after December 31, 2015, and before January 1, 2017		x	17.5 % =	2
		Number of days in the tax year	365			
Total of amounts 1 and 2 (enter amount G on line I on page 7)					430	G

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

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

*** Large corporations

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

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General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from page 3 (line 360 or amount Z, whichever applies)	_____	A
Lesser of amounts B9 and H9 from Part 9 of Schedule 27	_____	B
Amount K13 from Part 13 of Schedule 27	_____	C
Personal service business income	432	D
Amount used to calculate the credit union deduction (amount F from Schedule 17)	_____	E
Amount from line 400, 405, 410, or 425 on page 4, whichever is the least	_____	F
Aggregate investment income from line 440 on page 6*	_____	G
Subtotal (add amounts B to G)	_____	H
Amount A minus amount H (if negative, enter "0")	_____	I
General tax reduction for Canadian-controlled private corporations – Amount I multiplied by 13 %	_____	J

Enter amount J on line 638 on page 7.

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

General tax reduction

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

Taxable income from page 3 (line 360 or amount Z, whichever applies)	_____	K
Lesser of amounts B9 and H9 from Part 9 of Schedule 27	_____	L
Amount K13 from Part 13 of Schedule 27	_____	M
Personal service business income	434	N
Amount used to calculate the credit union deduction (amount F from Schedule 17)	_____	O
Subtotal (add amounts L to O)	_____	P
Amount K minus amount P (if negative, enter "0")	_____	Q
General tax reduction – Amount Q multiplied by 13 %	_____	R

Enter amount R on line 639 on page 7.

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86485 1993 RC0001

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income **440** x (26 2 / 3 + 4 x $\frac{\text{Number of days in the tax year after 2015}}{\text{Number of days in the tax year}}$) % = A

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 $\frac{\text{Number of days in the tax year after 2015}}{\text{Number of days in the tax year}}$) % = C

365
Number of days
in the tax year

(if negative, enter "0") D

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

Taxable income from line 360 on page 3 **66,410** F

Deduct:

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

Foreign non-business income tax credit from line 632 on page 7 x 100 / 35 = H

Foreign business income tax credit from line 636 on page 7 x 4 = I

Subtotal J

K x (26 2 / 3 + 4 x $\frac{\text{Number of days in the tax year after 2015}}{\text{Number of days in the tax year}}$) % = **17,709** L

66,410 K
365

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

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

Refundable dividend tax on hand

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

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

Add the total of:

Refundable portion of Part I tax from line 450 above P

Total Part IV tax payable from Schedule 3 Q

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

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

Dividend refund

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

Taxable dividends paid in the tax year from line 460 on page 2 of Schedule 3 160,000 x [(1 / 3) + (5 x $\frac{\text{Number of days in the tax year after 2015}}{\text{Number of days in the tax year}}$) %] = **53,333** S

365
Number of days
in the tax year

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

Dividend refund – Amount S or T, whichever is less U

Enter amount U on line 784 on page 8.

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Rideau St. Lawrence Distribution Inc.
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Part I tax

Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) multiplied by 38 %* . . . **550** A

* If an amount of taxable income for the year from a personal services business has been entered on line Z.1, the result of the following calculation will be added to the amount on line 550:

Amount Z.1 x $\frac{\text{Number of days in the taxation year that are after 2015}}{\text{Number of days in the taxation year}} \times 5\% =$ A.1
365

Recapture of investment tax credit from Schedule 31 **602** B

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)

Aggregate investment income from line 440 on page 6 C

Taxable income from line 360 on page 3 **66,410** D

Deduct:

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

Net amount (amount D minus amount E) **66,410** F

Refundable tax on CCPC's investment income –

$\left(\frac{62}{365} + 4 \times \frac{\text{Number of days in the tax year after 2015}}{365} \right) \% \text{ of whichever is less: amount C or amount F}$ **604** G

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

Deduct:

Small business deduction from line 430 on page 4 I

Federal tax abatement **608**

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

Investment corporation deduction **620**

Taxed capital gains **624**

Additional deduction – credit unions from Schedule 17 **628**

Federal foreign non-business income tax credit from Schedule 21 **632**

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

General tax reduction for CCPCs from amount J on page 5 **638**

General tax reduction from amount R on page 5 **639**

Federal logging tax credit from Schedule 21 **640**

Eligible Canadian bank deduction under section 125.21 **641**

Federal qualifying environmental trust tax credit **648**

Investment tax credit from Schedule 31 **652**

Subtotal J

Part I tax payable – Amount H minus amount J K

Enter amount K on line 700 on page 8.

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.

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Rideau St. Lawrence Distribution Inc.
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Summary of tax and credits

Federal tax	
Part I tax payable from amount K on page 7	700
Part II surtax payable from Schedule 46	708
Part III.1 tax payable from Schedule 55	710
Part IV tax payable from Schedule 3	712
Part IV.1 tax payable from Schedule 43	716
Part VI tax payable from Schedule 38	720
Part VI.1 tax payable from Schedule 43	724
Part XIII.1 tax payable from Schedule 92	727
Part XIV tax payable from Schedule 20	728
Total federal tax	
Add provincial or territorial tax:	
Provincial or territorial jurisdiction	750 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)	
Net provincial or territorial tax payable (except Quebec and Alberta)	760
Total tax payable 770 A	
Deduct other credits:	
Investment tax credit refund from Schedule 31	780
Dividend refund from amount U on page 6	784
Federal capital gains refund from Schedule 18	788
Federal qualifying environmental trust tax credit refund	792
Canadian film or video production tax credit refund (Form T1131)	796
Film or video production services tax credit refund (Form T1177)	797
Tax withheld at source	800
Total payments on which tax has been withheld	801
Provincial and territorial capital gains refund from Schedule 18	808
Provincial and territorial refundable tax credits from Schedule 5	812
Tax instalments paid	840
Total credits	890 B
Refund code 894 1	Overpayment
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:	
<input type="checkbox"/> Start	<input type="checkbox"/> Change information
914 Institution number	910 Branch number
918 Account number	
If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due?	
896 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/>	
If this return was prepared by a tax preparer for a fee, provide their EFILE number	
920 A3569	

Certification

I, 950 SOULES	951 PETER	954 CFO
Last name (print)	First name (print)	Position, office, or rank
am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.		
955 2016-06-15	Signature of the authorized signing officer of the corporation	956 (613) 925-3851
Date (yyyy/mm/dd)		Telephone number
Is the contact person the same as the authorized signing officer? If no, complete the information below		
957 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/>		
958	Name (print)	959 Telephone number

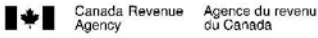
Language of correspondence – Langue de correspondance

Indicate your language of correspondence by entering 1 for English or 2 for French. Indiquez votre langue de correspondance en inscrivant 1 pour anglais ou 2 pour français.	990 1
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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001



SCHEDULE 100

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF

Corporation's name	Business number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 RC0001	2015-12-31

Balance sheet information

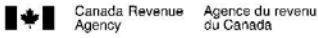
Account	Description	GIFI	Current year	Prior year
Assets				
	Total current assets	1599 +	3,703,920	4,012,271
	Total tangible capital assets	2008 +	6,375,245	8,664,018
	Total accumulated amortization of tangible capital assets	2009 -	705,672	3,289,886
	Total intangible capital assets	2178 +		
	Total accumulated amortization of intangible capital assets	2179 -		
	Total long-term assets	2589 +	763,224	551,685
	* Assets held in trust	2590 +		
	Total assets (mandatory field)	2599 =	10,136,717	9,938,088
Liabilities				
	Total current liabilities	3139 +	5,007,393	3,915,853
	Total long-term liabilities	3450 +	1,016,564	2,121,315
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 =	6,023,957	6,037,168
Shareholder equity				
	Total shareholder equity (mandatory field)	3620 +	4,112,760	3,900,920
	Total liabilities and shareholder equity	3640 =	10,136,717	9,938,088
Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849 =	1,596,935	1,389,797

* Generic item

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001



SCHEDULE 125

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 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
Income statement information				
	Total sales of goods and services	8089 +	16,021,870	14,826,680
	Cost of sales	8518 -	13,517,734	12,377,941
	Gross profit/loss	8519 =	2,504,136	2,448,739
	Cost of sales	8518 +	13,517,734	12,377,941
	Total operating expenses	9367 +	2,556,556	2,421,650
	Total expenses (mandatory field)	9368 =	16,074,290	14,799,591
	Total revenue (mandatory field)	8299 +	16,304,365	15,070,430
	Total expenses (mandatory field)	9368 -	16,074,290	14,799,591
	Net non-farming income	9369 =	230,075	270,839

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 =	230,075	270,839
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	Total other comprehensive income	9998 =		
--	----------------------------------	--------	--	--

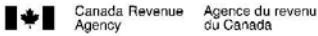
Extraordinary items and income (linked to Schedule 140)

	Extraordinary item(s)	9975 -		
	Legal settlements	9976 -		
	Unrealized gains/losses	9980 +		
	Unusual items	9985 -		
	Current income taxes	9990 -	10,429	17,660
	Future (deferred) income tax provision	9995 -	26,139	
	Total – Other comprehensive income	9998 +		
	Net income/loss after taxes and extraordinary items (mandatory field)	9999 =	193,507	253,179

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001



Schedule 141

Notes Checklist

Corporation's name	Business number	Tax year-end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 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 ☒ 2 No ☐

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

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

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

Part 2 – Type of involvement with the financial statements

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

Completed an auditor's report **1** ☒

Completed a review engagement report **2** ☐

Conducted a compilation engagement **3** ☐

Part 3 – Reservations

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

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

Part 4 – Other information

If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options: **110**

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

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

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

If yes, complete lines 104 to 107 below:

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

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

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

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

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

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001

Part 4 – Other information (continued)

Impairment and fair value changes

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

200 1 Yes ☐ 2 No ☒

If yes, enter the amount recognized:

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

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)?

250 1 Yes ☐ 2 No ☒

Did the corporation apply hedge accounting during the tax year?

255 1 Yes ☐ 2 No ☒

Did the corporation discontinue hedge accounting during the tax year?

260 1 Yes ☐ 2 No ☒

Adjustments to opening equity

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

265 1 Yes ☒ 2 No ☐

If yes, you have to maintain a separate reconciliation.

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86485 1993 RC0001

SCHEDULE 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF1

Form identifier 100

Name of corporation	Business Number	Tax year-end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 RC0001	2015-12-31

Assets – lines 1000 to 2599

1000	101,353	1060	1,838,033	1066	7,503
1120	199,245	1180	12,067	1480	1,426,699
1484	119,020	1599	3,703,920	1600	91,567
1680	95,442	1681	-5,610	1740	5,381,404
1741	-369,723	1900	806,832	1901	-330,339
2008	6,375,245	2009	-705,672	2420	584,469
2421	178,755	2589	763,224	2599	10,136,717

Liabilities – lines 2600 to 3499

2620	1,977,977	2861	1,163,352	2863	1,554,968
2920	172,620	2960	28,608	2961	109,868
3139	5,007,393	3140	516,670	3320	499,894
3450	1,016,564	3499	6,023,957		

Shareholder equity – lines 3500 to 3640

3500	2,511,123	3580	4,702	3600	1,596,935
3620	4,112,760	3640	10,136,717		

Retained earnings – lines 3660 to 3849

3660	1,389,797	3680	193,507	3701	-160,000
3720	173,631	3849	1,596,935		

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001

SCHEDULE 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIF

Form identifier 125

Name of corporation	Business Number	Tax year-end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 RC0001	2015-12-31

Description

Sequence number **0003** 01

Revenue – lines 8000 to 8299

8000	16,021,870	8089	16,021,870	8090	79,276
8210	-5,529	8230	208,748	8299	16,304,365

Cost of sales – lines 8300 to 8519

8320	13,517,734	8518	13,517,734	8519	2,504,136
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Operating expenses – lines 8520 to 9369

8670	328,290	8710	86,709	8810	919,265
9010	682,767	9270	539,525	9367	2,556,556
9368	16,074,290	9369	230,075		

Extraordinary items and taxes – lines 9970 to 9999

9970	230,075	9990	10,429	9995	26,139
9999	193,507				

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001



Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business Number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 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	193,507	A
Add:		
Provision for income taxes – current	101 10,429	
Provision for income taxes – deferred	102 26,139	
Amortization of tangible assets	104 328,290	
Loss on disposal of assets	111 5,529	
Subtotal of additions	370,387	
Other additions:		
Miscellaneous other additions:		
600 Change in future employee benefits	290 2,047	
604		
Total	294	
Subtotal of other additions	199 2,047	
Total (lines 101 to 199)	500 372,434	
Amount A plus amount B	565,941	C
Deduct:		
Capital cost allowance from Schedule 8	403 499,531	
Subtotal of deductions	499,531	
Other deductions:		
Miscellaneous other deductions:		
704		
Total	394	
Subtotal of other deductions	499 0	
Total (lines 401 to 499)	510 499,531	
Net income (loss) for income tax purposes (amount C minus amount D)	66,410	E
Enter amount E on line 300 of the T2 return.		

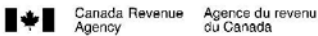
T2 SCH 1 E (15)

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001



**DIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND
PART IV TAX CALCULATION**

SCHEDULE 3

Name of corporation Rideau St. Lawrence Distribution Inc.	Business Number 86485 1993 RC0001	Tax year-end Year Month Day 2015-12-31
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- This schedule is for the use of any corporation to report:
 - non-taxable dividends under section 83;
 - deductible dividends under subsection 138(6);
 - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (b) or (d); or
 - taxable dividends paid in the tax year that qualify for a dividend refund.
- The calculations in this schedule apply only to private or subject corporations.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- A recipient corporation is connected with a payer corporation at any time in a tax year, if at that time the recipient corporation:
 - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
 - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- Column A – Enter "X" if dividends received from a foreign source (connected corporation only).
- Column F1 – Enter the amount of dividends received reported in column 240 that are eligible.
- Column F2 – Enter the code that applies to the deductible taxable dividend.
- Column FF – Indicate if the dividends have been received before January 1, 2016, or after December 31, 2015. This information is required to determine the appropriate rate for the Part IV tax calculation.

Part 1 – Dividends received in the tax year

Do not include dividends received from foreign non-affiliates.		Complete if payer corporation is connected			E Non-taxable dividend under section 83
Name of payer corporation (from which the corporation received the dividend)	A	B Enter 1 if payer corporation is connected	C Business Number of connected corporation	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYY/MM/DD (See note)	
200		205	210	220	230
Total (enter on line 402 of Schedule 1)					

Note: If your corporation's tax year-end is different than that of the connected payer corporation, your corporation could have received dividends from more than one tax year of the payer corporation. If so, use a separate line to provide the information for each tax year of the payer corporation. For more details, consult the Help.

				Complete if payer corporation is connected		
F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (b), or (d)*	F1 Eligible dividends (included in column F)	F2	FF	G Total taxable dividends paid by connected payer corporation (for tax year in column D)	H Dividend refund of the connected payer corporation (for tax year in column D)**	I Part IV tax before deductions F x rate ***
240				250	260	270
Total (enter the amount from column F on line 320 of the T2 return and amount J in Part 2)						

Total (enter the amount from column F on line 320 of the T2 return and amount J in Part 2)

* If taxable dividends are received, enter the amount in column 240, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column 270. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

** If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

*** For dividends received from connected corporations: Part IV tax = $\frac{\text{Column F} \times \text{Column H}}{\text{Column G}}$

Rate: The Part IV tax rate is 38 1/3% for dividends received after December 31, 2015, and 33 1/3% for dividends received before January 1, 2016.

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Part 2 – Calculation of Part IV tax payable

Part IV tax before deductions (amount J in Part 1)

Deduct:

Part IV tax payable on dividends subject to Part IV tax **320**

Subtotal

Deduct:

Current-year non-capital loss claimed to reduce Part IV tax **330**

Non-capital losses from previous years claimed to reduce Part IV tax **335**

Current-year farm loss claimed to reduce Part IV tax **340**

Farm losses from previous years claimed to reduce Part IV tax **345**

Total losses applied against Part IV tax x 1 / 3 =

Part IV tax payable (enter amount on line 712 of the T2 return) **360**

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

A	B	C	D	D1
Name of connected recipient corporation	Business Number	Tax year end of connected recipient corporation in which the dividends in column D were received YYYY/MM/DD (See note)	Taxable dividends paid to connected corporations	Eligible dividends (included in column D)
400	410	420	430	
1 RSL Holdings Inc.	89170 9610 RC0001	2015-12-31	160,000	

Note

If your corporation's tax year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information for each tax year of the recipient corporation. For more details, consult the Help.

Total **160,000**

Total taxable dividends paid in the tax year to other than connected corporations **450**

Eligible dividends (included in line 450) 450a

Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column D above plus line 450) **460** **160,000**

Part 4 – Total dividends paid in the tax year

Complete this part if the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460 above) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above) **160,000**

Other dividends paid in the tax year (total of 510 to 540)

Total dividends paid in the tax year **500** **160,000**

Deduct:

Dividends paid out of capital dividend account **510**

Capital gains dividends **520**

Dividends paid on shares described in subsection 129(1.2) **530**

Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year **540**

Subtotal ▶

Total taxable dividends paid in the tax year that qualify for a dividend refund **160,000**


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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001

 Canada Revenue Agency / Agence du revenu du Canada

Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business Number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 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 ¹¹	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) ¹¹	7 Reduced undepreciated capital cost	8 CCA rate % ¹¹	9 Recapture of capital cost allowance ^{11,12} (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) ^{11,12}	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	distribution and buildings	3,553,134	2,150		0	1,075	3,554,209	4	0	0	142,168	3,412,116
2. 10	computer and vehicles	259,438	48,250		0	24,125	283,563	30	0	0	85,069	222,619
3. 8	Equipment	32,969	29,130		0	14,565	47,534	20	0	0	9,507	52,592
4. 45	Computer Equipment and Software	7,289	21,504		0	10,752	18,041	45	0	0	8,118	20,675
5. 46	Data Network Equip.	274			0		274	30	0	0	82	192
6. 47	Distribution and transmission eq.	2,681,937	515,202		189	257,507	2,939,143	8	0	0	235,155	2,961,795
7. 50	Computer Hardware	35,330			0		35,330	55	0	0	19,432	15,898
	Totals	6,570,371	616,236		189	308,024	6,878,394				499,531	5,696,887

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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 information on the exceptions to the 50% rule, as well as how to calculate the amounts to enter in column 6 in those cases, 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.

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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		616,236	
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):			
IFRS Adjustments	+	30,341	
	+	2	
Total additions per books	=	646,579	646,579
Proceeds up to original cost – Schedule 8 regular classes		189	
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):			
Amortization charged to Reg assets	+	22,072	
Amortization Charged in other areas	+	2,420	
Total proceeds per books	=	24,681	24,681
Depreciation and amortization per accounts – Schedule 1	-		328,290
Loss on disposal of fixed assets per accounts	-		5,529
Gain on disposal of fixed assets per accounts	+		
Net change per tax return	=		288,079

Financial statements

Fixed assets (excluding land) per financial statements

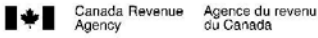
Closing net book value		5,578,006	
Opening net book value	-	5,289,927	
Net change per financial statements	=		288,079

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

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86485 1993 RC0001



SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 RC0001	2015-12-31

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

	Name	Country of residence (other than Canada)	Business number (see note 1)	Relationship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Rideau St. Lawrence Holdings Inc.		89170 9610 RC0002	1					
2.	Rideau St. Lawrence Utilities Inc.		89187 5817 RC0001	3					
3.	Rideau St. Lawrence Services Inc.		86485 1795 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.

Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

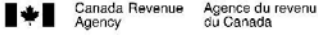
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Rideau St. Lawrence Distribution Inc.
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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

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

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

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

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

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

Column 4: Enter the business limit for the year of each corporation in the associated group.

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

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.
Ensure that the total at line A does not exceed \$500,000.

Allocating the business limit

Date filed (do not use this area)		025		Year Month Day	
Enter the calendar year to which the agreement applies		050		Year 2015	
Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below?		075		1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>	
1 Names of associated corporations	2 Business number of associated corporations	3 Association code	4 Business limit for the year before the allocation \$	5 Percentage of the business limit %	6 Business limit allocated* \$
100	200	300		350	400
1 Rideau St. Lawrence Distribution Inc.	86485 1993 RC0001	1	500,000	45.0000	225,000
2 Rideau St. Lawrence Holdings Inc.	89170 9610 RC0002	1	500,000		
3 Rideau St. Lawrence Utilities Inc.	89187 5817 RC0001	1	500,000	45.0000	225,000
4 Rideau St. Lawrence Services Inc.	86485 1795 RC0001	1	500,000	10.0000	50,000
			Total	100.0000	500,000 A

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

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula $0.225\% \times (D - \$10,000,000)$. Details of this formula and variable D are in subsection 125(5.1) of the Act.

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

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year, whichever is less.

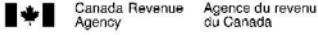
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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001



SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 RC0001	2015-12-31

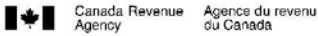
All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

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 Rideau St. Lawrence Holdings Inc.	89170 9610 RC0001			100.000	
2					
3					
4					
5					
6					
7					
8					
9					
10					

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001



Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 RC0001	2015-12-31

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, *General Rate Income Pool (GRIP) Calculation*, or Schedule 54, *Low Rate Income Pool (LRIP) Calculation*, whichever is applicable.
- File the completed schedules with your *T2 Corporation Income Tax Return* no later than six months from the end of the tax year.
- All legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool (GRIP), and low rate income pool (LRIP).
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Do not use this area

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

Taxable dividends paid in the tax year not included in Schedule 3		
Taxable dividends paid in the tax year included in Schedule 3	160,000	
Total taxable dividends paid in the tax year	100	160,000
Total eligible dividends paid in the tax year		150 A
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")		160 B
Excessive eligible dividend designation (line 150 minus line 160)		C
Deduct:		
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	180	D
Subtotal (amount C minus amount D)		E
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount E multiplied by 20 %)	190	F

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

Taxable dividends paid in the tax year not included in Schedule 3		
Taxable dividends paid in the tax year included in Schedule 3		
Total taxable dividends paid in the tax year	200	
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)		G
Deduct:		
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	280	H
Subtotal (amount G minus amount H)		I
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount I multiplied by 20 %)	290	J

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to www.cra.gc.ca/eligibledividends.

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001



SCHEDULE 546

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Rideau St. Lawrence Distribution Inc.	86485 1993 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)			
Rideau St. Lawrence Distribution Inc.			
Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent	110 Date of incorporation or amalgamation, whichever is the most recent	Year Month Day	120 Ontario Corporation No.
Ontario		2000-10-17	1436681

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

200 Care of (if applicable)			
210 Street number	220 Street name/Rural route/Lot and Concession number	230 Suite number	
985	Industrial Road		
240 Additional address information if applicable (line 220 must be completed first)			
PO Box 699			
250 Municipality (e.g., city, town)	260 Province/state	270 Country	280 Postal/zip code
Prescott	ON	CA	K0E 1T0

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."
☐ 2 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 SOULES	451 PETER
Last name	First name
454	
Middle name(s)	

- 460** ☒ 2 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.

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86485 1993 RC0001

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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2015-12-31

Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001

Corporate Taxpayer Summary

Corporate information																
Corporation's name		Rideau St. Lawrence Distribution Inc.														
Taxation Year		2015-01-01 to 2015-12-31														
Jurisdiction		Ontario														
BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Corporation is associated		Y														
Corporation is related		Y														
Number of associated corporations		3														
Type of corporation		Canadian-Controlled Private Corporation														
Total amount due (refund) federal and provincial*																
* The amounts displayed on lines "Total amount due (refund) federal and provincial" are all listed in the help. Press F1 to consult the context-sensitive help.																

Summary of federal information	
Net income	66,410
Taxable income	
Donations	
Calculation of income from an active business carried on in Canada	66,410
Dividends paid	160,000
Dividends paid – Regular	160,000
Dividends paid – Eligible	
Balance of the low rate income pool at the end of the previous year	
Balance of the low rate income pool at the end of the year	
Balance of the general rate income pool at the end of the previous year	
Balance of the general rate income pool at the end of the year	
Part I tax (base amount)	

Summary of provincial information – provincial income tax payable			
	Ontario	Québec (CO-17)	Alberta (AT1)
Net income	66,410		
Taxable income			
% Allocation	100.00		
Attributed taxable income			
Tax payable before deduction*			
Deductions and credits			
Net tax payable			
Attributed taxable capital	N/A		N/A
Capital tax payable**	N/A		N/A
Total tax payable***			
Instalments and refundable credits			
Balance due/Refund (-)			
Logging tax payable (COZ-1179)			
Tax payable	N/A		N/A
* For Québec, this includes special taxes.			
** For Québec, this includes compensation tax and registration fee.			
*** For Ontario, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations. The Balance due/Refund is included in the federal Balance due/refund.			

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001

Summary – taxable capital

Federal

Corporate name	Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return
Rideau St. Lawrence Distribution Inc.	7,498,426	7,498,426	7,336,913	7,336,913
Rideau St. Lawrence Holdings Inc.				
Rideau St. Lawrence Utilities Inc.	120,181	120,181	517,408	517,408
Rideau St. Lawrence Services Inc.				
Total	7,618,607	7,618,607	7,854,321	7,854,321

Québec

Corporate name	Paid-up capital used to calculate the Québec business limit reduction (CO-771 and CO-771.1.3) and to calculate the additional deduction for transportation costs of remote manufacturing SMEs (CO-156.TR)	Paid-up capital used to calculate the tax credit for investment (CO-1029.8.36.IN)	Paid-up capital used to calculate the 1 million deduction (CO-1137.A and CO-1137.E)
Total			

Ontario

Corporate name	Specified capital used to calculate the expenditure limit – Ontario innovation tax credit (Schedule 566)
Total	

Other provinces

Corporate name	Capital used to calculate the Newfoundland and Labrador capital deduction on financial institutions (Schedule 306)
Total	

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001

Five-Year Comparative Summary

	Current year	1st prior year	2nd prior year	3rd prior year	4th prior year
Federal information (T2)					
Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
Net income	66,410	114,813	244,092	271,230	69,854
Taxable income		114,813	244,092	271,230	
Active business income	66,410	114,813	244,092	271,230	69,854
Dividends paid	160,000	160,000	130,000	130,000	130,000
Dividends paid – Regular	160,000	160,000	130,000	130,000	130,000
Dividends paid – Eligible					
LRIP – end of the previous year					
LRIP – end of the year					
GRIP – end of the previous year					
GRIP – end of the year					
Donations					
Balance due/refund (-)		-17,204	5,655	22,611	
Line 996 – Amended tax return	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Loss carrybacks requested in prior years to reduce taxable income					
Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
Taxable income before loss carrybacks	N/A	N/A	244,092	271,230	
Non-capital losses	N/A	N/A			
Net capital losses (50%)	N/A	N/A			
Restricted farm losses	N/A	N/A			
Farm losses	N/A	N/A			
Listed personal property losses (50%)	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted taxable income after loss carrybacks	N/A	N/A	244,092	271,230	
Losses in the current year carried back to previous years to reduce taxable income (according to Schedule 4)					
Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
Adjusted taxable income before current year loss carrybacks*	N/A	114,813	244,092	271,230	N/A
Non-capital losses	N/A				N/A
Net capital losses (50%)	N/A				N/A
Restricted farm losses	N/A				N/A
Farm losses	N/A				N/A
Listed personal property losses (50%)	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted taxable income after loss carrybacks	N/A	114,813	244,092	271,230	N/A

* The adjusted taxable income before current year loss carryback takes into account loss carrybacks that were made in prior taxation years.

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Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001

Loss carrybacks requested in prior years to reduce taxable dividends subject to Part IV tax

Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
Adjusted Part IV tax multiplied by the multiplication factor**, before loss carrybacks	N/A	N/A			
Non-capital losses	N/A	N/A			
Farm losses	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A	N/A			

Losses in the current year carried back to previous years to reduce taxable dividends subject to Part IV tax (according to Schedule 4)

Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
Adjusted Part IV tax multiplied by the multiplication factor**, before current-year loss carrybacks***	N/A				N/A
Non-capital losses	N/A				N/A
Farm losses	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A				N/A

** The multiplication factor is 3 for dividends received before January 1, 2016, and 100/38 1/3 for dividends received after December 31, 2015.

*** The adjusted Part IV tax multiplied by the multiplication factor before current-year loss carrybacks takes into account loss carrybacks that were made in prior taxation years. This amount is multiplied by the multiplication factor to help you determine the loss amount that must be used to reduce Part IV tax payable to zero.

Federal taxes

Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
Part I		12,630	26,850	29,835	
Part IV					
Part III.1					
Other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.

Credits against part I tax

Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
Small business deduction		19,518	41,496	46,109	
M&P deduction					
Foreign tax credit					
Investment tax credit					
Abatement/other*		11,481	24,409	27,123	

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.

Refunds/credits

Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
ITC refund					
Dividend refund					
Instalments		35,000	28,803	7,224	
Surtax credit					
Other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensitive help.

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2015-12-31

Rideau St. Lawrence Distribution Inc.
86485 1993 RC0001

Ontario					
Taxation year end	2015-12-31	2014-12-31	2013-12-31	2012-12-31	2011-12-31
Net income	66,410	114,813	244,092	271,230	69,854
Taxable income		114,813	244,092	271,230	
% Allocation	100.00	100.00	100.00	100.00	100.00
Attributed taxable income		114,813	244,092	271,230	
Surtax					
Income tax payable before deduction		13,203	28,071	31,191	
Income tax deductions /credits		8,037	20,463	31,191	
Net income tax payable		5,166	7,608		
Taxable capital					
Capital tax payable					
Total tax payable*		5,166	7,608		
Instalments and refundable credits					
Balance due/refund**		5,166	7,608		
<p>* For taxation years ending before January 1, 2009, this includes the corporate minimum tax and the premium tax. For taxation years ending after December 31, 2008, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations.</p> <p>** For taxation years ending after December 31, 2008, the Balance due/Refund is included in the federal Balance due/refund.</p>					

Ex.4/Tab 5/Sch.4 - Calculation of Tax Credits

RSL is not claiming any Tax Credits in this application.

Ex.4/Tab 5/Sch.5 - Non-recoverable and Disallowed Expenses

RSL confirms that expenses that are deemed non-recoverable in the revenue requirement (e.g. certain charitable donations) or disallowed for regulatory purposes have been excluded from the regulatory tax calculation.

Ex.4/Tab 5/Sch.6 - Integrity Checklist

RSL attests that the following integrity checks have been completed in its application. In completing the PILs model, RSL attests that:

- 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 historic, bridge and test years;
- Schedule 8 of the most recent federal T2 tax return filed with the application has a closing December 31st historic year UCC that agrees with the opening test year UCC at January 1st;
- The CCA deductions in the application's PILs tax model for historic, bridge and test years agree with the numbers in the UCC schedules for the same years filed in the application;
- Loss carry-forwards, if any, from the tax returns (Schedule 4) agree with those disclosed in the application;
- CCA is maximized even if there are tax loss carry-forwards; and
- A statement is included in the application as to when the losses, if any, will be fully utilized.

Conservation and Demand Side Management

Ex.4/Tab 6/Sch.1 - Overview of CDM

RSL filed its CDM Strategy with the OEB in accordance with the CDM Code for Electricity Distributors in the fall of 2010. RSL began delivering CDM programs in 2011 in order to meet the mandated targets. The emphasis has been on Ontario Power Authority (“OPA”) Contracted Province-Wide Programs to residential and general service customers. RSL has not sought approval for Board-approved CDM programs.

The OPA provides funding for RSL’s CDM programs. RSL’s funding portfolio for 2011 to 2014 was approximately \$306,000. Funding and expenditures for the delivery of OPA Contracted Province-Wide Programs are kept separate and tracked in Non-Distribution Revenue Accounts in accordance with the guidance in Chapter 5, Accounting Treatment of the CDM Code.

In addition, RSL has ensured that any function performed within the distribution company for CDM activity has been attributed and tracked in the non-distribution accounts. Therefore, CDM activities are not included in the calculation revenue requirement or revenue offsets.

The 2015-2020 CDM delivery model provides LDCs with funding to cover all aspects of CDM programming. RSL’s funding for this timeframe is \$1,306,239. The intent is to meet energy reduction requirements primarily by delivering OPA-Contracted Province-Wide programs. RSL will not be applying for any OM&A costs related to the administration and delivery of CDM programs to be recovered through the revenue requirement.

Ex.4/Tab 6/Sch.2 - LRAMVA

The scope of LRAMVA in this application covers CDM programs delivered in 2012-2014 and persistent savings in 2012-2014 from 2011-2014 CDM programs as well as pre-2011 CDM programs completed in 2011. In support of its LRAMVA, RSL has retained the services of Burman Energy Consultants Group Inc. ("Burman Energy"); a copy of the LRAMVA Support report prepared by Burman Energy together with a copy of the IESO 2011-2014 Final Report for RSL is provided in Appendix 4.1 and 4.2. The IESO 2011-2014 Final Report forms the basis of RSL's LRAMVA.

Lost Revenue Adjustment Mechanism ("LRAM") for 2011-2014

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 demand through the delivery of CDM programs over a four-year period beginning January 1, 2011. Section 12 of the Directive required that the Board have regard to the objective that lost revenues that result from CDM Programs should not act as a disincentive to a distributor. On April 26, 2012, the Board issued Guidelines for Electricity Distributor Conservation and Demand Management ("CDM Guidelines"). In keeping with the Directive, the Board adopted a mechanism to capture the difference between the results of actual, verified impacts of authorized CDM activities undertaken by distributors between 2011 and 2014 and the level of activities embedded into rates through the distributor's load forecast in an LRAM variance account.

RSL is requesting to recover lost revenues in 2012, 2013 and 2014 from CDM programs delivered in 2012 to 2014 and persistence of 2011-2014 programs.

Pre-2011 CDM Programs Completed in 2011

Persistence from pre-2011 programs completed in 2011 with revenue lost in 2012, 2013 and 2014 is also included in the calculation of LRAM in this application.

In Section 2.4.6.2 of Chapter 2 Filing Requirements, issued June 16, 2015, the Board stated that distributors that have rebased commencing in 2010 are not eligible for LRAM claims for lost

revenue associated with the persistence of legacy programs in 2010 and beyond unless the OEB explicitly stated its expectation in the distributor's last rebasing decision (or if it was explicitly stated in a settlement agreement) that the distributor may file a claim in the future.

RSL's 2012 cost of service rebasing application, EB-2011- 0274, was done prior to the final OPA CDM Results for RSL becoming available. The LRAM claim RSL proposed in the 2012 application covers the program results from 2006-2010 CDM activities to the end of 2010 (see page 19 of RSL's 2012 COS Application and RSL's answer to VECC Interrogatories #32 Round #1). Based on this a decision with regard to LRAM was made in the settlement agreement:

"The Parties have agreed that RSL will recover only LRAM amounts related to CDM activities carried on through the period ending December 31, 2010 at this time. With respect to 2011, similar to the approach for 2010, the Parties agree that RSL will be permitted to seek LRAM recovery at a later date for verified 2011 results which would include persisting results from 2006-2010 programs into 2011 as well as the impact of verified 2011 programs."

Following the 2012 COS Application, RSL recovered lost revenue in 2011 from 2011 CDM programs; pre-2011 programs completed in 2011, and persistence of 2006-2010 CDM programs through RSL's 2013 IRM (EB-2012-0164) in accordance with the settlement agreement of RSL's 2012 COS Application.

Since RSL's load forecast in its last COS Application (2012) was made based on historical purchase kWh up to the end of 2010, CDM programs delivered after 2010 were not reflected in RSL's current rates.

As such, RSL has included the persistent results from 2011 programs as well as pre-2011 programs completed in 2011 in the LRAM claim amount in this application.

RSL has not requested recovery of the lost revenue in 2012, 2013 and 2014 from pre-2011 programs completed in 2011 and 2011-2014 programs in RSL's past applications.

RSL has used the most recent input assumptions when calculating lost revenue and has relied on the most recent final evaluation report from the IESO ("2011-2014 Final Results") in support of its LRAM calculation for its contracted province-wide CDM programs ("OPA Programs") for

2011-2014. Lost revenues are based on Board approved variable charges and carrying charges through to April 30, 2016 are requested.

RSL is not requesting recovery of lost revenue resulting from Board-approved programs. .

RSL has calculated carrying charges for the period January 1, 2012 to April 30, 2016 using the quarterly rates prescribed by the Board.

The amount of RSL's LRAM claim is \$24,124. Table 4.24 below shows the summary of LRAM amounts to be disposed of in this application. The table reflects lost revenue in 2012, 2013 and 2014 from CDM programs.

Table 4.24: Summary of Requested LRAM Amounts

LRAMVA							
2012		Predicted	2012	Predicted	Actual	Actual	2,012
	Category	kWh/kW Savings	Avg Rate	\$ Savings	kWh/kW Savings	\$ Savings	LRAMVA
	Residential	522,335	0.0131	6,843	282,884	3,706	- 3,137
	Commercial	232,046	0.0082	1,903	873,713	7,164	5,262
	Industrial	631	1.56875	990	1,487	2,333	1,343
				9,735		13,203	3,468
LRAMVA							
2013		Predicted	2013	Predicted	Actual	Actual	2,013
	Category	kWh/kW Savings	Avg Rate	\$ Savings	kWh/kW Savings	\$ Savings	LRAMVA
	Residential	522,335	0.014567	7,609	431,656	6,288	- 1,321
	Commercial	232,046	0.009	2,088	914,312	8,229	6,140
	Industrial	631	1.896267	1,197	1,679	3,183	1,987
				10,894		17,700	6,806
LRAMVA							
2014		Predicted	2014	Predicted	Actual	Actual	2,014
	Category	kWh/kW Savings	Avg Rate	\$ Savings	kWh/kW Savings	\$ Savings	LRAMVA
	Residential	522,335	0.014733	7,696	724,873	10,680	2,984
	Commercial	232,046	0.009067	2,104	1,113,433	10,095	7,992
	Industrial	631	1.9189	1,211	2,129	4,086	2,875
				11,010		24,861	13,850
						Grand Total	24,124

Appendix

List of Appendices

Appendix 4.1	IESO 2011-2014 Final Results Report
Appendix 4.2	LRAMVA Report from Burman Energy
Appendix 4.3	Income Tax/PILs Workform for 2016 Filers

Appendix 4.1 – IESO 2011-2014 Final Results Report



Message from the Vice President:

The IESO is pleased to provide the enclosed 2011-2014 Final Results Report. This report is designed to help populate LDC Annual Reports that will be submitted to the Ontario Energy Board (OEB) in September 2015.

2011-2014 Conservation Framework Highlights:

- LDCs have made significant achievements against dual energy and peak demand savings targets. Collectively, the LDCs have achieved 109% of the energy target and 70% of the peak demand target.
- Momentum has built as we transition to the Conservation First Framework. 2014 demonstrated an achievement of over 1 TWh of net incremental energy savings, positioning us well for average net incremental energy savings of 1.2 TWh required in the new framework to meet our 2020 CDM targets.
- Throughout the past framework, program results have become more predictable year over year as noted in the increasingly smaller variance between quarterly preliminary results and verified final results.
- Customer engagement continued to increase in both the Consumer and Business Programs. Between 2011 - 2014 consumers have purchased over 10 million energy efficient products through the saveONenergy COUPONS program. Customers in RETROFIT continue to declare a positive experience participating in the program with 86% likely to recommend.
- saveONenergy has seen a steady and significant increase in unaided brand awareness by 33% from 2011-2014
- Conservation is becoming even more cost-effective as programs become more efficient and effective. 2014 proved early investments in long lead time projects will pay off with the high savings now being realized in programs like PROCESS & SYSTEMS and RETROFIT. Within 4 cents per kWh, Conservation programs continue to be a valuable and cost effective resource for customers across the province.

The 2011-2014 Final Results within this report vary from the Draft 2011-2014 Final Results Report for the following reasons:

- Savings from Time of Use pricing are included in the Final Results Report. Overall the province saved 55 MWs from Time-of-Use pricing in 2014, or 0.73% of residential summer peak demand.
- Between August 4th and August 28th, the IESO and LDCs have worked collaboratively to reconcile projects from 2011-2014 Final Results Report to ensure every eligible project was captured and accurately reported.
- Verified savings from Innovation Fund pilots are also included for participating LDCs.

All results will be considered final for the 2011-2014 Conservation Framework. Any additional program activity not captured in the 2011-2014 Final Results Report will not be included as part of a future adjustment process.

Please continue to monitor saveONenergy E-blasts for future updates and should you have any other questions or comments please contact LDC.Support@ieso.ca.

We appreciate your collaboration and cooperation throughout the reporting and evaluation process and we look forward to the success ahead in the Conservation First Framework.

Sincerely,

Terry Young

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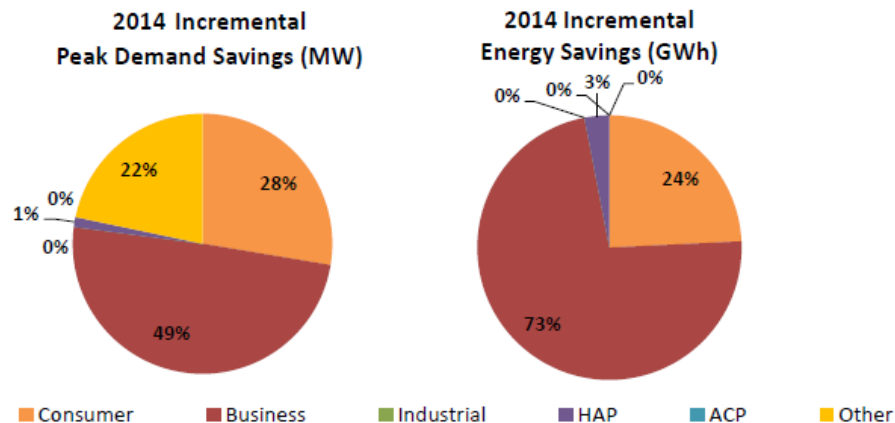
IESO-Contracted Province-Wide CDM Programs: 2011-2014 Final Results Report

LDC: Rideau St. Lawrence Distribution Inc.

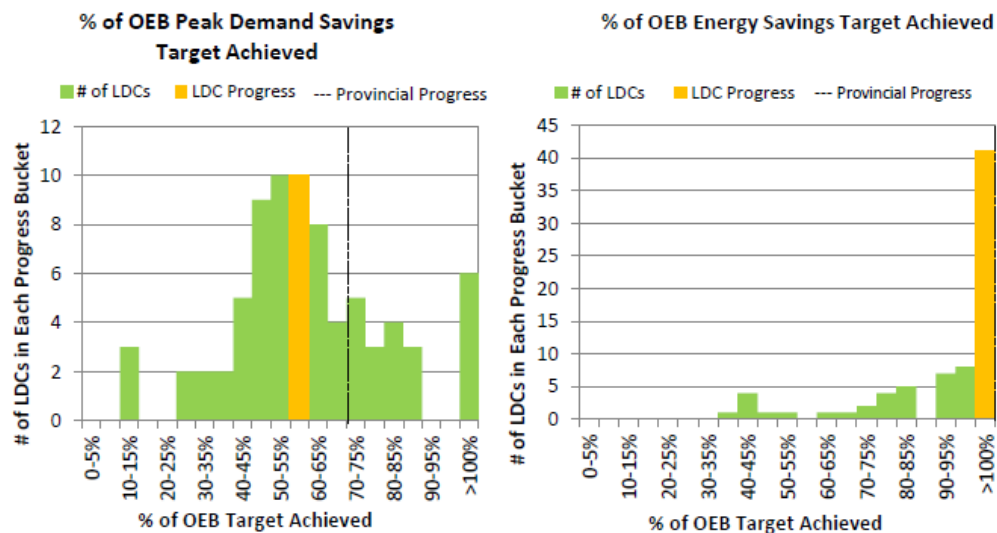
Final 2014 Achievement Against Targets	2014 Incremental	2011-2014	
		Achievement Against Target	% of Target Achieved
Net Annual Peak Demand Savings (MW)	0.3	0.7	59.3%
Net Energy Savings (GWh)	1.2	7.3	142.2%

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)



Rideau St. Lawrence Distribution Inc.
EB-2015-0100
Exhibit 4 – Operating Expenses
Filed: October 21, 2016

Table 1: Rideau St. Lawrence Distribution Inc. Initiative and Program Level Net Savings by Year															
Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014	2014
Consumer Program															
Appliance Retirement	Appliances	102	101	70	88	6	6	5	6	43,726	40,193	29,521	37,342	23	391,664
Appliance Exchange	Appliances	14	27	1	2	1	4	0	0	1,139	6,693	369	739	5	25,038
A/C Incentives	Equipment	75	53	106	117	31	21	25	29	61,704	30,787	47,968	51,116	106	514,200
Conservation Instant Coupon Booklet	Items	568	35	390	1,137	1	0	1	3	20,878	1,561	8,633	31,939	4	137,015
Bi-Annual Retailer Event	Items	1,067	1,188	1,058	5,404	2	2	1	9	32,913	29,999	19,244	137,667	14	397,822
Retailer Co-op	Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	0	0	0	30	0	0	0	17	0	0	0	0	17	0
Residential Demand Response (HDR)	Devices	0	0	0	21	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Consumer Program Total						42	32	32	64	160,365	117,218	105,751	262,403	168	1,465,743
Commercial Program															
Retrofit	Projects	8	4	7	12	62	93	20	39	340,676	269,134	122,323	517,820	214	2,932,974
Direct Initial Lighting	Projects	80	28	4	73	106	60	3	74	267,169	222,555	11,130	269,177	213	1,951,900
Building Commissioning	Buildings	0	0	0	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	0	0	0
Energy Audit	Audits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Small Commercial Demand Response	Devices	0	0	0	2	0	0	0	2	0	0	0	0	2	0
Small Commercial Demand Response (HDR)	Devices	0	0	0	1	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	0	0	0
Commercial Program Total						168	153	23	114	607,845	494,689	133,653	786,997	428	4,884,874
Industrial Program															
Process & System Upgrades	Projects	0	0	0	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	0	0	0
Energy Manager	Projects	0	0	1	0	0	0	0	0	0	0	0	0	0	0
Retrofit	Projects	0	0	0	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	0	0	0
Industrial Program Total						0	0	0	0	0	0	0	0	0	0
Home Assistance Program															
Home Assistance Program	Homes	0	9	96	64	0	1	3	3	0	10,379	33,346	32,836	6	129,961
Home Assistance Program Total						0	1	3	3	0	10,379	33,346	32,836	6	129,961
Aboriginal Program															
Aboriginal Program	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	1	0	0	0	1	0	0	0	7,843	0	0	0	1	31,372
High Performance New Construction	Projects	1	1	0	0	46	0	0	0	238,332	123	0	0	47	953,697
Toronto Comprehensive	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
LDC Custom Programs	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011 Total						48	0	0	0	246,175	123	0	0	48	985,069
Other															
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	50	0	0	0	0	50	0
LDC Pilot	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Total						0	0	0	50	0	0	0	0	50	0
Adjustments to 2011 Verified Results						-3	0	0	0	-147,227	0	0	0	-3	-989,196
Adjustments to 2012 Verified Results							2	19	0		7,496	99,006	0	22	319,506
Adjustments to 2013 Verified Results								3	0			29,600	0	3	96,865
Energy Efficiency Total (Scenario 1)						257	187	58	213	1,014,386	622,409	272,751	1,062,236	683	7,465,647
Adjustments to Previous Years' Verified Results Total						0	0	0	19	0	0	0	0	19	0
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						257	184	60	254	1,014,386	475,182	280,247	1,230,843	723	7,252,911
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).														Full OEB Target:	
*Includes adjustments after final reports were issued. Results presented using scenario 1 which assumes that demand response resources have a persistence of 2 year														1,220	
% of Full OEB Target Achieved to Date (Scenario 1):														59.3%	

Table 2: Adjustments to Rideau St. Lawrence Distribution 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)	
														2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014	2014
Consumer Programs															
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
WISC Incentives	Equipment	-17	3	4		-5	1	1		-10,372	1,856	1,450		-4	-10,418
Conservation Instant Coupon Booklet	Items	0	0	1		0	0	0		309	0	36		0	1,237
Bi-Annual Retailer Event	Items	92	0	0		0	0	0		2,446	0	0		0	9,783
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 (HDR)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	0	0	0		0	0	0		0	0	0		0	0
Consumer Program Total						-5	1	1		-7,817	1,856	1,676		-3	-22,348
Business Programs															
Retrofit	Projects	0	0	1		0	0	1		0	0	6,860		1	13,719
Direct Install Lighting	Projects	3	3	0		3	1	0		7,137	5,640	0		4	37,270
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 (HDR)	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						3	1	1		5,137	5,640	6,860		5	50,969
Industrial Programs															
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	1		0	0	0		0	0	10,731		0	23,837
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	10,731		0	23,837
Home Assistance Programs															
Home Assistance Program	Homes	0	1	8		0	0	1		0	883	7,998		1	15,606
Home Assistance Program Total						0	0	1		0	883	7,998		1	15,606
Aboriginal Programs															
Aboriginal 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	1	0		0	19	0		-144,547	98,123	0		19	-283,819
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	19	0		-144,547	98,123	0		19	-283,819
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						-3				-147,227				-3	-589,106
Adjustments to 2012 Verified Results							22				106,502			22	319,506
Adjustments to 2013 Verified Results								3				27,265		3	56,865
Total Adjustments to Previous Years' Verified Results						-3	22	3		-147,227	106,502	27,265		22	-212,735

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 permitted savings in the year in which that adjustment is verified.

Table 3: Rideau St. Lawrence Distribution 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	1.00	1.00	0.52	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53	
HVAC Incentives	1.00	1.00	n/a	1.00	0.60	0.49	0.48	0.51	1.00	1.00	n/a	1.00	0.60	0.49	0.48	0.51	
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	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	0.93	0.88	0.91	0.85	0.75	0.72	0.75	0.69	1.35	0.90	1.05	1.04	0.76	0.73	0.75	0.70	
Direct Install Lighting	1.08	0.68	0.81	0.78	0.93	0.94	0.94	0.94	0.90	0.85	0.84	0.83	0.93	0.94	0.94	0.94	
Building Commissioning	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
New Construction	n/a	n/a	n/a	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	0.91	1.12	0.84	n/a	1.00	1.00	1.00	n/a	0.93	0.87	0.78	n/a	1.00	1.00	1.00	
Aboriginal Program																	
Home Assistance Program	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
Pre-2011 Programs completed in 2011																	
Electricity Retrofit Incentive Program	0.77	n/a	n/a	n/a	0.52	n/a	n/a	n/a	0.77	n/a	n/a	n/a	0.52	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	0.3	0.3	0.3	0.2
2012 - Verified†	0.0	0.2	0.2	0.2
2013 - Verified†	0.0	0.0	0.1	0.1
2014 - Verified†	0.0	0.0	0.0	0.3
Verified Net Annual Peak Demand Savings Persisting in 2014:				0.7
Rideau St. Lawrence Distribution Inc. 2014 Annual CDM Capacity Target:				1.2
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				59.3%

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

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011 - Verified	1.0	1.0	1.0	0.9	4.0
2012 - Verified†	-0.1	0.5	0.5	0.5	1.3
2013 - Verified†	0.0	0.0	0.3	0.3	0.6
2014 - Verified†	0.0	0.1	0.13	1.2	1.4
Verified Net Cumulative Energy Savings 2011-2014:					7.3
Rideau St. Lawrence Distribution Inc. 2011-2014 Annual CDM Energy Target:					5.1
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					142.2%

†Includes adjustments to previous years' verified results

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

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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)
Consumer Programs															
Appliance Retirement	Appliances	56,110	34,146	20,952	22,363	3,239	2,011	1,433	1,617	23,005,812	13,424,518	8,713,107	9,497,943	8,221	159,100,415
Appliance Exchange	Appliances	3,688	3,836	5,387	5,625	371	556	1,106	1,178	420,187	974,621	1,971,701	2,100,266	2,973	10,756,182
HiA/C Incentives	Equipment	92,748	87,540	96,236	113,002	32,037	19,060	19,252	23,106	29,437,670	32,841,283	33,923,962	42,888,217	63,775	447,009,930
Conservation Instant Coupon Booklet	Items	567,678	30,891	347,846	1,206,108	1,344	230	217	2,445	21,111,537	1,398,203	7,707,573	32,802,597	4,531	137,258,438
Bi-Annual Retailer Event	Items	952,149	1,040,901	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	355,137,343
Retailer Co-op	Items	152	0	0	0	0	0	0	0	2,632	0	0	0	0	10,607
Residential Demand Response	Devices	19,250	98,388	171,733	241,381	10,947	49,038	93,076	117,513	24,870	859,408	890,303	8,179	117,513	732,960
Residential Demand Response (HDR)	Devices	0	49,638	133,657	183,577	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	27	21	279	2,367	0	2	18	369	743	17,132	163,690	2,330,865	390	2,712,676
Consumer Program Total						49,681	72,377	116,886	154,267	133,520,941	76,796,859	70,049,807	212,530,376	239,772	1,112,586,565
Commercial Programs															
Retrofit	Projects	2,828	6,481	9,746	10,925	24,467	61,147	59,878	70,662	196,002,258	314,922,488	342,346,008	482,903,511	213,489	2,631,401,213
Direct Interior Lighting	Projects	20,761	18,691	17,833	23,764	23,724	15,284	18,708	23,419	61,076,701	97,340,796	64,313,593	84,503,302	78,304	694,186,693
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	6,492	411,717	1,814,721	4,959,266	20,361,204	8,904	37,390,767
Energy Audit	Audits	222	357	589	479	0	1,450	2,611	6,323	0	7,049,351	15,455,795	30,874,399	10,583	82,934,042
Small Commercial Demand Response	Devices	132	294	1,111	3,652	84	187	773	2,116	157	1,088	373	319	2,116	1,916
Small Commercial Demand Response (HDR)	Devices	0	0	373	830	0	0	0	0	0	0	0	0	0	0
Business Response 3	Facilities	145	151	175	180	16,218	19,339	23,706	23,330	633,421	251,823	346,659	0	23,330	1,261,903
Commercial Program Total						64,617	99,221	107,261	113,319	198,124,253	381,415,230	430,423,659	600,176,121	332,769	3,368,699,887
Industrial Programs															
Process & System Upgrades	Projects	0	0	5	10	0	0	294	9,692	0	0	2,603,764	72,053,225	9,866	77,240,782
Maintenance & Targeting	Projects	0	1	3	5	0	0	0	102	0	0	0	902,517	102	902,517
Energy Manager	Projects	1	132	304	379	0	1,086	3,556	5,191	0	7,372,108	21,994,263	40,436,427	8,384	95,324,990
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	72,484	74,056	162,543	166,082	3,080,737	1,784,712	4,309,160	0	166,082	9,174,609
Industrial Program Total						57,898	75,141	166,395	181,966	31,947,577	9,156,820	26,907,187	112,992,199	169,168	297,725,186
Home Assistance Programs															
Home Assistance Program	Homes	46	5,920	29,654	25,424	2	566	2,361	2,466	39,283	5,442,332	20,967,275	19,582,658	5,370	77,532,571
Home Assistance Program Total						2	566	2,361	2,466	39,283	5,442,332	20,967,275	19,582,658	5,370	77,532,571
Other Programs															
Home Assistance Program	Homes	0	0	717	1,125	0	0	267	549	0	0	1,609,393	3,101,267	816	6,319,993
Direct Interior Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Program Total						0	0	267	549	0	0	1,609,393	3,101,267	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	9,235	148,181,415
Toronto Comprehensive	Projects	577	15	4	3	13,809	0	0	231	86,944,086	0	0	2,479,840	14,086	250,339,313
Multifamily Energy Efficiency Rebates	Projects	110	0	0	0	1,951	0	0	0	7,595,683	0	0	0	1,951	30,382,733
LDC Custom Programs	Projects	8	0	0	0	399	0	0	0	1,367,170	0	0	0	399	3,468,679
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	11,486	30,751,187
Time-of-Use Savings	Homes	0	0	0	676	0	0	0	34,799	0	0	0	0	54,795	0
LDC Pilots	Projects	0	0	0	1,174	0	0	0	1,170	0	0	0	0	1,170	5,061,322
Other Total						0	2,304	3,692	61,466	0	1,188,362	4,075,382	24,096,899	67,462	35,812,709
Adjustments to 2011 Verified Results						1,406	661	1,418	0	18,689,081	1,736,381	7,319,887	3,215	110,143,550	0
Adjustments to 2012 Verified Results						6,260	9,221	0	0	41,947,840	37,080,215	0	0	15,401	238,780,637
Adjustments to 2013 Verified Results						24,391	0	0	0	150,785,808	0	0	0	24,391	296,465,211
Energy Efficiency Total						136,610	109,191	117,536	224,493	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	369,091	3,739,185	2,427,011	5,046,495	6,898	109,091	11,221,389
Adjustments to Previous Year's Verified Results Total						0	1,406	6,901	33,020	0	18,689,081	43,804,271	191,183,886	43,006	643,393,297
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						216,343	253,267	404,536	586,578	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).														Full OEB Target:	
*Includes adjustments after final reports were issued														1,330,000	
Results presented using scenario 1 which assumes that demand response resources have a persistence of 3 year														6,000,000,000	
% of Full OEB Target Achieved to Date (Scenario 1):														70%	
														100%	

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 (includes \$M)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014	2011-2014 Net Cumulative Energy Savings (kWh)
Consumer Programs															
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	-13,839	2,319	4,705		-5,270	479	1,037		-9,707,002	955,512	1,330,408		-3,754	-32,284,676
Conservation Instant Coupon Booklet	Items	8,216	0	1,050		15	0	2		275,455	0	23,571		16	1,145,763
Bi-Annual Retailer Event	Items	81,817	0	0		108	0	0		2,183,391	0	0		108	8,793,563
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 (HD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	20	2	193		1	1	72		14,687	995	441,938		74	943,497
Consumer Program Total						-5,145	480	1,111		-7,233,290	956,497	2,303,917		-3,555	-12,664,975
Business Programs															
Retruff	Projects	312	876	961		3,205	7,233	11,961		16,268,129	42,499,052	78,146,280		22,056	347,240,388
Direct Install Lighting	Projects	468	197	51		501	304	46		1,250,368	736,541	166,667		620	7,155,143
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	4,823,774	6,636,179		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 (HD)	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		35,503	385,148,444
Industrial Programs															
Process & System Upgrades	Projects	0	0	2		0	0	324		0	0	968,679		324	1,937,318
Monitoring & Targeting	Projects	0	1	3		0	0	54		0	328,000	639,346		54	2,862,696
Energy Manager	Projects	1	93	101		27	1,067	2,395		241,513	8,266,841	25,814,853		4,345	81,873,489
Retruff	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		241,513	8,794,841	27,422,860		4,723	61,215,516
Home Assistance Programs															
Home Assistance Program	Homes	0	887	2,896		0	222	791		0	1,316,749	4,321,794		1,009	12,511,300
Home Assistance Program Total						0	222	791		0	1,316,749	4,321,794		1,009	8,581,177
Aboriginal Programs															
Home Assistance Program	Homes	0	0	139		0	0	134		0	0	569,715		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	569,715		134	1,127,430
Pre-2011 Programs completed in 2011															
Electricity Retruff Incentive Program	Projects	12	0	0		138	0	0		545,536	0	0		138	2,182,143
High Performance New Construction	Projects	37	4	15		1,507	363	-184		2,386,941	2,632,533	-993,596		1,686	16,106,171
Toronto Comprehensive	Projects	0	13	4		0	672	165		0	4,523,517	1,324,388		837	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	336,792		2,662	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 predicted savings in the year in which that adjustment is verified.															

Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contacted 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.

Initiative	Table 8: Province-Wide Realization Rate & NTG								Energy Savings							
	Peak Demand Savings								Realization Rate				Net-to-Gross Ratio			
	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.	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).
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 result of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
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).

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'.

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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).

2011-2014 Final Results Report_HCRideau St. Lawrence Distribution Inc.

Table 11: Rideau St. Lawrence Distribution 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	12	6	10	14	83,752	40,193	62,978	79,973
Appliance Exchange**	Appliances	2	4	0	1	2,210	6,693	702	1,404
HVAC Incentives	Equipment	52	42	54	61	103,677	79,887	102,079	116,191
Conservation Instant Coupon Booklet	Items	1	0	1	1	18,953	1,485	7,664	18,269
Bi-Annual Retailer Event	Items	2	2	1	5	30,131	32,732	18,416	78,694
Retailer Co-op	Items	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	0	0	0	17	0	0	0	0
Residential Demand Response (HDR)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0
Consumer Program Total		69	54	66	99	238,723	160,990	191,839	294,531
Business Program									
Networks	Projects	83	134	26	62	445,941	400,313	164,107	767,169
Direct Install Lighting	Projects	99	81	3	78	287,731	271,082	11,792	285,104
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	2	0	0	0	0
Small Commercial Demand Response (HDR)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	0	0	0	0	0	0
Business Program Total		182	215	30	142	733,571	671,394	175,900	1,052,353
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	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	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	1	3	3	0	11,121	33,346	32,836
Home Assistance Program Total		0	1	3	3	0	11,121	33,346	32,836
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
Electricity Incentive Programs (EIPs)									
Electricity Retrofit Incentive Program	Projects	3	0	0	0	15,083	0	0	0
High Performance New Construction	Projects	99	0	0	0	476,665	245	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		95	0	0	0	491,747	245	0	0
Other									
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0
Time-of-Use Savings	Homes	0	0	0	50	0	0	0	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0
Other Total		0	0	0	50	0	0	0	0
Adjustments to 2011 Verified Results			87	0	0		178,322	0	0
Adjustments to 2012 Verified Results				4	38			5,779	197,130
Adjustments to 2013 Verified Results					4				36,500
Energy Efficiency Total		347	271	98	276	1,464,041	843,751	401,085	1,379,720
Demand Response Total		0	0	0	19	0	0	0	0
Adjustments to Previous Years' Verified Results Total		0	87	4	42	0	178,322	5,779	233,630
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		347	357	102	336	1,464,041	1,022,073	410,864	1,613,350

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

2011-2014 Final Results Report_HCRideau St. Lawrence Distribution Inc.

Table 12: Adjustments to Rideau St. Lawrence Distribution 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	-9	2	2		-17,726	3,792	3,477	
Conservation Instant Coupon Booklet	Items	0	0	0		287	0	23	
Bi-Annual Retailer Event	Items	0	0	0		2,659	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		-9	2	2		-14,781	3,792	3,500	
Business Program									
Retrofit	Projects	0	0	2		0	0	10,479	
Direct Install Lighting	Projects	3	2	0		5,533	5,986	0	
Building Commissioning	Buildings	0	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		3	2	2		5,533	5,986	10,479	
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	11,924	
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	11,924	
Home Assistance Program									
Home Assistance Program	Homes	0	0	1		0	883	7,998	
Home Assistance Program Total		0	0	1		0	883	7,998	
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 Rebate Incentive Program	Projects	0	0	0		0	0	0	
High Performance New Construction	Projects	93	0	0		187,570	196,247	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		93	0	0		187,570	196,247	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		87				178,322			
Adjustments to 2012 Verified Results			4				206,908		
Adjustments to 2013 Verified Results				5				33,901	
Total Adjustments to Previous Years' Verified Results		87	4	5		178,322	206,908	33,901	

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

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

2011-2014 Final Results Report_HCRideau St. Lawrence Distribution Inc.

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	6,730	2,011	3,151	3,579	45,971,627	13,424,518	18,616,239	20,315,770
Appliance Exchange**	Appliances	719	356	2,101	2,238	873,531	974,621	3,746,106	3,890,372
HVAC Incentives	Equipment	59,209	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	1,325,893	6,841,244	19,000,254
Bi-Annual Retailer Event	Items	1,504	1,622	1,142	4,626	26,899,285	29,222,072	16,441,329	70,254,471
Retailer Co-op	Items	0	0	0	0	3,517	0	0	0
Residential Demand Response	Devices	10,390	49,038	93,076	117,513	13,297	329,408	390,303	8,279
Residential Demand Response (HDI)	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	140,390	176,452	192,379,633	112,240,615	117,521,084	207,543,846
Business Program									
Retrofit	Projects	34,201	78,965	82,896	98,849	184,070,263	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	0	0	0	0	1,513,377
New Construction	Buildings	247	1,596	2,934	11,911	823,494	3,753,869	9,183,826	27,742,970
Energy Audit	Audits	0	1,450	4,283	9,347	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 (HDI)	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	251,304,648	467,801,406	579,468,111	817,313,113
Industrial Program									
Process & System Upgrades	Projects	0	0	313	12,387	0	0	2,799,746	90,469,617
Monitoring & Targeting	Projects	0	0	0	102	0	0	0	503,517
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	4,243,938	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	19,582,628
Home Assistance Program Total		4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,628
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	223,956,380	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	60,266	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				6,832	13,449			54,301,893	59,036,939
Adjustments to 2013 Verified Results					34,727				206,413,158
Energy Efficiency Total		213,515	156,735	168,583	209,384	942,317,539	616,320,385	753,683,966	1,210,925,694
Demand Response Total		208,025	142,670	280,099	309,091	4,901,107	2,427,011	3,046,495	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

2011-2014 Final Results Report_HCRideau St. Lawrence Distribution Inc.

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		-6,759	1,091	2,157		-16,241,086	1,952,473	3,873,448	
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			-6,628	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	58,528,709	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

Appendix 4.2 – LRAMVA Report from Burman Energy



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RIDEAU ST. LAWRENCE DISTRIBUTION INC.

LRAMVA SUPPORT

September 22, 2016

PREPARED BY: JARRETT URECH, CET

REVIEWED BY: BART BURMAN, MBA BA.SC. P.ENG

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Executive Summary

Burman Energy Consultants group has calculated Rideau St. Lawrence Distribution's LRAMVA value for the period of 2012 through 2014 to be a total of \$24,123.94 . This number was derived by calculating the total LRAM value of \$55,763.27 and subtracting the already forecasted lost revenue already collected of \$31,639.33 .

Introduction

Since the completion of Third Tranche CDM programs and reporting, LDCs across Ontario have sought to recover revenues lost to successful CDM programming. The mechanism that enables this recovery is the Lost Revenue Adjustment Mechanism (LRAM).

On April 26, 2012, new Board-issued CDM Guidelines were enacted that provide updated LRAM details. For CDM programs delivered within the 2011 to 2014 term, the Board established the Lost Revenue Adjustment Variance Account (LRAMVA). This account captures the variance between the Board-approved CDM forecast and the actual CDM results.

The variance calculated from this comparison must be recorded in separate sub-accounts per the applicable customer rate classes.

LDCs must apply for the disposition of the balance in the LRAMVA as part of their cost of service (COS) applications or on an annual basis, as part of their IRM rate applications.

The LRAM mechanism determines persistent CDM impacts realized after 2010, for those distributors whose load forecast has not been updated.

Terms

Term	Description
Persistence	CDM savings during the subsequent years after the first year savings.
Extension Framework	The conservation period between 2011 and 2015
Conservation First Framework	The conservation period between 2015 and 2020.
CDM	Conservation and Demand Management
LRAM	Lost Revenue Adjustment Mechanism
LRAMVA	Lost Revenue Adjustment Mechanism Variance Account
COS	Cost of Service
IRM	Incentive Regulation Model

Scope of Work

Specifically, Burman Energy will perform the following in its work undertaking:

- 1) Collect and outline savings for the following data sets:
 - i. CDM Results for programs as applicable for the LRAMVA period.
 - ii. Forecasted savings for Conservation and Demand Management programs (Last Approved).
- 2) Collect additional data as outlined:
 - i. LDC volumetric distribution rates for LRAMVA years.
 - ii. Completed Retrofit projects for years for which retrofit savings are reported.
- 3) Calculate by initiative and year the lost revenue values.
- 4) Calculate the currently recovered lost revenue from the load forecast.
- 5) Outline the net LRAMVA values by year and overall.
- 6) Provide summary report with supporting information.

About Burman Energy Consultants Group Inc.

Burman Energy is a vibrant, growing company, and has provided energy conservation program planning, administration and delivery services since the inception of IESO programs in 2007. Serving 39 CDM client LDCs in Ontario, we currently have over 30 staff with specialized expertise in CDM planning and program administration, marketing, technical review and support, quality control, and contractor management. In 2013, Bart Burman, President of Burman Energy, was inducted into Worldwide Who's Who for Excellence in Energy Consulting, and in 2014/15, Bart sits as chair of the EDA's Commercial Steering Committee.

Burman Energy has adopted a new structured approach to fulfilling its contracted obligations with our numerous and diverse LDC CDM clients. Recognizing, in practice, the significant peaks and valleys associated with sustaining a consistent high standard of service on time delivery, our organizational focus continues to be to ensure adequate and flexible staff resources. Cross training in several different aspects of program execution has historically enabled us to make this approach extremely effective in meeting our clients' timeliness criteria.

As a process centric organization, our starting point is to use stock, off the shelf, proven process designs, and adjust collaboratively, in discussion with you, our client, for your specific LDC protocols as required. From this common basis for understanding, identification of roles and associated accountabilities can be easily determined. In addition, this work, up front, provides for a more solid basis upon which to convey pricing options.

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Lost Revenue Adjustment Mechanism History

From 2005 to the end of 2010, distributors delivered CDM programs either through approved distribution rate funding by way of the third installment of their incremental market adjusted revenue requirement ("MARR"), or through contracts with the IESO. Some distributors received incremental distribution rate funding separate from MARR. To promote the participation in and the delivery of CDM programs by distributors, the Board made available an LRAM regardless of whether the CDM programs were funded by the IESO or through distribution rates.

Lost Revenue Adjustment Mechanism Outline

In preparation of this document, Burman Energy performed this analysis in compliance with Guidelines for Electricity Distributor Conservation and Demand Management EB-2012-0003 with specific reference to the following:

13.6 LRAM & Shared Savings Mechanism for Pre-CDM Code Activities

The Board notes that the Filing Requirements for Transmission and Distribution Applications state the following:

Distributors intending to file an LRAM or SSM application for CDM Programs funded through distribution rates, or an LRAM application for CDM Programs funded by the IESO between 2005 and 2010, shall do so as part of their 2012 rate application filings, either cost-of-service or IRM. If a distributor does not file for the recovery of LRAM or SSM amounts in its 2012 rate application, it will forego the opportunity to recover LRAM or SSM for this legacy period of CDM activity.

The 2008 CDM Guidelines state as follows: "lost revenues are only accruable until new rates (based on a new revenue requirement and load forecast) are set by the Board, as the CDM savings would be assumed to be incorporated in the load forecast at that time". The intent of the LRAM in the 2008 CDM Guidelines was to keep electricity distributors revenue neutral for CDM activities implemented by the distributor during the years in which its rates were set using the incentive regulation mechanism, and that future LRAM claims should be unnecessary once a distributor rebases and updates its load forecast.

The Board therefore expects that LRAM for pre-2011 CDM activities should be completed with the 2012 rate applications, outside of persisting historical CDM impacts realized after 2010 for those distributors whose load forecast has not been updated as part of a cost of service application.

This summary is extracted from the "Guidelines for Electricity Distributor Conservation and Demand Management" (EB-2012-0003). This document can be found at:
http://www.ontarioenergyboard.ca/oeb/Documents/EB-2012-0003/CDM_Guidelines_Electricity_Distributor.pdf

Lost Revenue Adjustment Mechanism Variance Account Outline

With specific reference to the following:

13.2 LRAM Mechanism for 2011- 2014

The Board will adopt an approach for LRAM for the 2011-2014 CDM period that is similar to that adopted in relation to natural gas distributor DSM activities. The Board will authorize the establishment of an LRAM variance account ("LRAMVA") to capture, at the customer rate-class level, the difference between the following:

- i. The results of actual, verified impacts of authorized CDM activities undertaken by electricity distributors between 2011-2014 for both Board-Approved CDM programs and IESO-Contracted Province-Wide CDM programs in relation to activities undertaken by the distributor and/or delivered for the distributor by a third party under contract (in the distributor's franchise area); and

- ii. The level of CDM program activities included in the distributor's load forecast (i.e. the level embedded into rates).

Distributors will generally be expected to include a CDM component in their load forecast in cost of service proceedings to ensure that its customers are realizing the true effects of conservation at the earliest date possible date and to mitigate the variance between forecasted revenue losses and actual revenue losses. If the distributor has included a CDM load reduction in its distribution rates, the amount of the forecast that was adjusted for CDM at the rate class level would be compared to the actual DCM results verified by an independent third party for each year of the CDM program (i.e., 2011 to 2014) in accordance with the IESO's EM&V Protocols as set out in Section 6.1 of the CDM Code. The variance calculated from this comparison result in a credit or a debit to the ratepayers at the customer rate class level in the LRAMVA. The LRAM amount is determined by applying, by customer class, the distributor's Board-approved variable distribution charge applicable to the class to the volumetric variance (positive or negative) described in the paragraph above. The calculated lost revenues will be recorded in the LRAMVA. Distributors will be expected to report the balance in the LRAMVA as part of the reporting and record-keeping requirements on an annual basis.

This summary is extracted from the "Guidelines for Electricity Distributor Conservation and Demand Management" (EB-2012-0003). This document can be found at:
http://www.ontarioenergyboard.ca/oeb/Documents/EB-2012-0003/CDM_Guidelines_Electricity_Distributor.pdf

Summary Of Lost Revenue Adjustments

LRAMVA Summary

Burman Energy Consultants Group Inc. (Burman Energy) has prepared the following LRAMVA tables, representing the variance amount to be recorded in the LRAM Variance Account. The amount is the calculated result of the lost revenues by customer class based on the volumetric impact of the load reductions arising from the CDM measures implemented, multiplied by Rideau St. Lawrence Distribution's Board-approved variable distribution changes applicable to the customer rate class in which the volumetric variance occurred. The calculations provided by Burman Energy do not include carrying charges or adjustments based on CDM reductions as included in any CDM Load reduction forecast.

Results Year	Lost Revenue Adjustment Mechanism Year					
	2012	2013	2014			
2014	\$ -	\$ -	\$ 7,791			
2013	\$ -	\$ 2,896	\$ 2,917			
2012	\$ 6,159	\$ 6,979	\$ 7,048			
2011	\$ 7,044	\$ 7,825	\$ 7,105			
Total	\$ 13,203	\$ 17,700	\$ 24,861			
Forecast	\$ 9,735	\$ 10,894	\$ 11,010			
Net	\$ 3,468	\$ 6,806	\$ 13,850			
Variance				\$ 24,124		

Results Year	Lost Revenue Adjustment Mechanism Summary By Rate Class					
	Residential	GS <= 50 kW	GS > 50 kW			Total
2014	\$ 10,680	\$ 10,095	\$ 4,086			\$ 24,861
2013	\$ 6,288	\$ 8,229	\$ 3,183			\$ 17,700
2012	\$ 3,706	\$ 7,164	\$ 2,333			\$ 13,203
Total	\$ 20,673	\$ 25,488	\$ 9,602			\$ 55,763
Forecast	\$ 22,147	\$ 6,095	\$ 3,397			\$ 31,639
Net	\$ (1,474)	\$ 19,393	\$ 6,204			\$ 24,124

Reference Material

The following IESO documents were used to prepare the LRAMVA calculations:

- i. [2006-2014]_RATES_DATABASE_FROM TARIFFS.xls
- ii. 2011-2014 Rideau St. Lawrence Distribution Results with Persistence.xls
- iii. Rideau St. Lawrence Distribution [2012-2014] Retrofit Project Lists

Methodology

Burman Energy would like to present a summary of the methodology used to calculate the LRAMVA figures in this report for the purposes of auditing.

Burman Energy collects the following information as the sources for the values calculated in this report:

- Rate Database documents from the Ontario Energy Board (OEB) website for all years that are being calculated.
- Final CDM results and their persistence into future years received directly from the IESO or from the Local Distributor.
- Retrofit & High Performance New Construction (HPNC) project data with kW, kWh and Rate Class information for each project.
- The forecasted CDM results from the distributors most recently approved Cost of Service application (COS).

Burman Energy takes the results of each initiative where the savings for the LRAMVA report period are not equal to zero and enters the figures into the report. The values entered into the report are organized by results year, rate class, and then initiative. The rate classes outlined here are examples and may not be actual customer classes for this local distribution company.

Results from 2014
Residential
HVAC Incentives
RESIDENTIAL TOTAL
GS Less Than 50 kW
Retrofit
GS LESS THAN 50 KW TOTAL
GS Greater Than 50 kW
Retrofit
GS GREATER THAN 50 KW TOTAL
Large Use
Retrofit
LARGE USE TOTAL
RESULTS FROM 2014 TOTAL

The results for Retrofit and HPNC items are initially collected for all rate classes then using verified project savings the result savings are divided into the appropriate rate classes.

Year	Application Type	LDC	Demand Savings	Energy Savings	Rate Class	Sector
2014	Retrofit	Lawrence Distr	67,07	708,705	GS>50	Industrial
2014	Retrofit	Lawrence Distr	2,61	21,171	GS<50	Business

kW	GS>50	96.25%	GS<50	3.75%	Large Use	0.00%
kWh		97.10%		2.90%		0.00%

Volumetric distribution rates are derived by using the rate database provided on the OEB website directly as they appear. These volumetric distribution rates are collected for each rate class for the years during the LRAMVA reporting period and one year prior are entered into the report along with their effective date. Burman Energy uses the effective date to create a weighted volumetric rate for each of the calendar years (Jan1st through Dec 31st) years in the reporting period. A summary of the calculation is presented below:

$$Weighted\ Rate = \left(Rate_{old} * \left(\frac{Months\ at\ Old}{12} \right) \right) + \left(Rate_{new} * \left(\frac{Months\ at\ New}{12} \right) \right)$$

The weighted volumetric rate is multiplied by the savings metric selected by rate class (the Residential and GS<50 metric is kWh and the GS>50 and Large Use metric is kW). The resulting figure is then subject to global modifiers based on initiative (eg Demand Response 3 is taken at a factor of 0% due to the type of savings it provides).

$$LRAM(kW) = Weighted\ Rate * Modifier\%_{If\ Applicable} * ((kW_{Per\ Month} * Months\ at\ old\ Rate) + (kW_{Per\ Month} * Months\ at\ New\ Rate))$$

$$LRAM\ (kWh) = Weighted\ Rate * Modifier\%_{If\ Applicable} * kWh_{Annual}$$

The totals are outlined at the bottom of each section with a summary by rate class presented near the bottom of the table for comparison to the forecasted figures.

If the distributor had forecasted CDM savings Burman Energy takes the values and applies same methods outlined for the savings results to calculate the total lost revenue that has already been recovered for the reporting period.

The recovered lost revenue is subtracted from the calculated LRAM resulting in the net figures or Variance. These figures are outlined by reporting period year and as an overall.

Supporting Attachments

Rideau St. Lawrence Distribution Inc.
EB-2015-0100
Exhibit 4 – Operating Expenses
Filed: October 21, 2016

Rideau St. Lawrence Distribution Inc. LRAMVA CALCULATIONS
OPA Conservation & Demand Management Programs
Initiative Results at End-User Level

Initiative Name	2011 Voluntary Rate	2012			2013			2014					
		Net Summer Peak Demand Savings (kW)	Net Energy Savings (kWh)	Distribution Volumetric Rate (Effective Date: Jul 1)	2012 LRAMVA Voluntary Rate	Net Summer Peak Demand Savings (kW)	Net Energy Savings (kWh)	Distribution Volumetric Rate (Effective Date: May 1)	2013 LRAMVA Voluntary Rate	Net Summer Peak Demand Savings (kW)	Net Energy Savings (kWh)	Distribution Volumetric Rate (Effective Date: May 1)	2014 LRAMVA Voluntary Rate
LRAM CON Results and Persistence													
Results from 2014													
Residential													
Appliance Exchange	0.0137		0.0145		0.0146		0.0146	0.41	718.86	0.0146		0.0146	0.4269
Appliance Replacement	0.0137		0.0145		0.0146		0.0146	6.46	11,342.04	0.0146		0.0146	10.6117
B-Appliance Rental Events	0.0137		0.0145		0.0146		0.0146	8.02	137,664.87	0.0146		0.0146	1,028.09
Conservation Referral Coupon Booklet	0.0137		0.0145		0.0146		0.0146	2.36	32,539.00	0.0146		0.0146	202.86
Home Auditors Program	0.0137		0.0145		0.0146		0.0146	2.86	52,836.04	0.0146		0.0146	488.76
HVAC Incentives	0.0137		0.0145		0.0146		0.0146	28.82	50,515.79	0.0146		0.0146	2,022.88
Appliance Demand Response	0.0137		0.0145		0.0146		0.0146	0.00	0.00	0.0146		0.0146	0.0000
RESIDENTIAL TOTAL		0.00	0	0.0145	0.00	0	0.0146	69.06	225,239	0.0146	0.00	0	4,849.95
SO LOW THAN 50 kW													
Commercial Demand Response	0.0014		0.009		0.009		0.009	1.87	0.00	0.0091		0.0091	-
Direct Install Lighting	0.0014		0.009		0.009		0.009	0.80	284,171.16	0.0091		0.0091	2,246.14
Results	0.0014		0.009		0.009		0.009	1.48	15,020.18	0.0091		0.0091	108.36
Zone of Influence	0.0014		0.009		0.009		0.009	0.00	0.00	0.0091		0.0091	0.0000
SO LOW THAN 50 kW TOTAL		0.00	0	0.009	0.00	0	0.009	3.15	284,171.16	0.0091	0.00	0	2,354.73
SO LOWER THAN 50 kW													
Demand Response 2	1.2419		1.8902		1.8993		1.8993	64.17	0.00	1.8927		1.8927	
Results	1.2419		1.8902		1.8993		1.8993	17.54	162,799.31	1.8927		1.8927	
SO GREATER THAN 50 kW TOTAL		0.00	0	1.8902	0.00	0	1.8993	81.71	162,799.31	1.8927	0.00	0	1,961.12
RESULTS FROM 2014 TOTAL		0.00	0	0.0145	0.00	0	0.0146	150.76	448,038	0.0146	0.00	0	6,816.07
Results from 2015													
Residential													
Appliance Exchange	0.0137		0.0145		0.0146		0.0146	0.41	8,633.47	0.0146		0.0146	127.29
Appliance Replacement	0.0137		0.0145		0.0146		0.0146	6.46	11,342.04	0.0146		0.0146	1,028.09
B-Appliance Rental Events	0.0137		0.0145		0.0146		0.0146	8.02	137,664.87	0.0146		0.0146	10,404.90
Conservation Referral Coupon Booklet	0.0137		0.0145		0.0146		0.0146	2.36	32,539.00	0.0146		0.0146	202.86
Home Auditors Program	0.0137		0.0145		0.0146		0.0146	2.86	52,836.04	0.0146		0.0146	488.76
HVAC	0.0137		0.0145		0.0146		0.0146	28.82	50,515.79	0.0146		0.0146	2,022.88
HVAC Incentives	0.0137		0.0145		0.0146		0.0146	0.00	0.00	0.0146		0.0146	0.0000
RESIDENTIAL TOTAL		0.00	0	0.0145	0.00	0	0.0146	69.06	225,239	0.0146	0.00	0	4,849.95
SO LOW THAN 50 kW													
Commercial Demand Response	0.0014		0.009		0.009		0.009	1.87	0.00	0.0091		0.0091	-
Direct Install Lighting	0.0014		0.009		0.009		0.009	0.80	284,171.16	0.0091		0.0091	2,246.14
Results	0.0014		0.009		0.009		0.009	1.48	15,020.18	0.0091		0.0091	108.36
Zone of Influence	0.0014		0.009		0.009		0.009	0.00	0.00	0.0091		0.0091	0.0000
SO LOW THAN 50 kW TOTAL		0.00	0	0.009	0.00	0	0.009	3.15	284,171.16	0.0091	0.00	0	2,354.73
SO LOWER THAN 50 kW													
Demand Response 2	1.2419		1.8902		1.8993		1.8993	64.17	0.00	1.8927		1.8927	
Results	1.2419		1.8902		1.8993		1.8993	17.54	162,799.31	1.8927		1.8927	
SO GREATER THAN 50 kW TOTAL		0.00	0	1.8902	0.00	0	1.8993	81.71	162,799.31	1.8927	0.00	0	1,961.12
RESULTS FROM 2015 TOTAL		0.00	0	0.0145	0.00	0	0.0146	150.76	448,038	0.0146	0.00	0	6,816.07
Results from 2016													
Residential													
Appliance Exchange	0.0137		0.0145		0.0146		0.0146	0.41	8,633.47	0.0146		0.0146	127.29
Appliance Replacement	0.0137		0.0145		0.0146		0.0146	6.46	11,342.04	0.0146		0.0146	1,028.09
B-Appliance Rental Events	0.0137		0.0145		0.0146		0.0146	8.02	137,664.87	0.0146		0.0146	10,404.90
Conservation Referral Coupon Booklet	0.0137		0.0145		0.0146		0.0146	2.36	32,539.00	0.0146		0.0146	202.86
Home Auditors Program	0.0137		0.0145		0.0146		0.0146	2.86	52,836.04	0.0146		0.0146	488.76
HVAC	0.0137		0.0145		0.0146		0.0146	28.82	50,515.79	0.0146		0.0146	2,022.88
HVAC Incentives	0.0137		0.0145		0.0146		0.0146	0.00	0.00	0.0146		0.0146	0.0000
RESIDENTIAL TOTAL		0.00	0	0.0145	0.00	0	0.0146	69.06	225,239	0.0146	0.00	0	4,849.95
SO LOW THAN 50 kW													
Commercial Demand Response	0.0014		0.009		0.009		0.009	1.87	0.00	0.0091		0.0091	-
Direct Install Lighting	0.0014		0.009		0.009		0.009	0.80	284,171.16	0.0091		0.0091	2,246.14
Results	0.0014		0.009		0.009		0.009	1.48	15,020.18	0.0091		0.0091	108.36
Zone of Influence	0.0014		0.009		0.009		0.009	0.00	0.00	0.0091		0.0091	0.0000
SO LOW THAN 50 kW TOTAL		0.00	0	0.009	0.00	0	0.009	3.15	284,171.16	0.0091	0.00	0	2,354.73
SO LOWER THAN 50 kW													
Demand Response 2	1.2419		1.8902		1.8993		1.8993	64.17	0.00	1.8927		1.8927	
Results	1.2419		1.8902		1.8993		1.8993	17.54	162,799.31	1.8927		1.8927	
SO GREATER THAN 50 kW TOTAL		0.00	0	1.8902	0.00	0	1.8993	81.71	162,799.31	1.8927	0.00	0	1,961.12
RESULTS FROM 2016 TOTAL		0.00	0	0.0145	0.00	0	0.0146	150.76	448,038	0.0146	0.00	0	6,816.07
Summary by Rate Class													
Residential	0.0137		0.0145		0.0146		0.0146	0.41	8,633.47	0.0146		0.0146	0.4269
General Service Less Than 50 kW	0.0014		0.009		0.009		0.009	1.87	0.00	0.0091		0.0091	-
General Service Greater Than 50 kW	1.2419		1.8902		1.8993		1.8993	64.17	0.00	1.8927		1.8927	
SUMMARY BY RATE CLASS TOTAL		0.0137	0.0145	0.0145	0.0146	0.0146	0.0146	69.06	225,239	0.0146	0.00	0	4,849.95
LRAM CON RESULTS AND PERSISTENCE TOTAL													
		0.0137	0.0145	0.0145	0.0146	0.0146	0.0146	69.06	225,239	0.0146	0.00	0	4,849.95
LRAM Forecast CDM Component													
Residential	0.0137		0.0145		0.0146		0.0146	0.41	8,633.47	0.0146		0.0146	127.29
General Service Less Than 50 kW	0.0014		0.009		0.009		0.009	1.87	0.00	0.0091		0.0091	-
General Service Greater Than 50 kW	1.2419		1.8902		1.8993		1.8993	64.17	0.00	1.8927		1.8927	
LRAM FORECAST CDM COMPONENT TOTAL		0.0137	0.0145	0.0145	0.0146	0.0146	0.0146	69.06	225,239	0.0146	0.00	0	4,849.95
LRAMVA TOTAL (LRAMVA + LRAM CON + LRAM FORECAST CDM COMPONENT)		0.0137	0.0145	0.0145	0.0146	0.0146	0.0146	69.06	225,239	0.0146	0.00	0	4,849.95
LRAMVA TOTAL (LRAMVA + LRAM CON + LRAM FORECAST CDM COMPONENT)		0.0137	0.0145	0.0145	0.0146	0.0146	0.0146	69.06	225,239	0.0146	0.00	0	4,849.95

LRAM Revenue Attribution Mechanism Variance

516,123.94

METHODOLOGY

All results are at the end-user level (not including transmission and distribution losses)

EQUATIONS:

PRESCRIPTIVE MEASURES/PROJECTS:

Gross Savings = Activity * Per Unit Assumption

Net Savings = Gross Savings * Net-to-Gross Ratio

All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)

ENGINEERED/CUSTOM PROJECTS:

Gross Savings = Reported Savings * Realization Rate

Net Savings = Gross Savings * Net-to-Gross Ratio

All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)

DEMAND RESPONSE:

Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio

Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW

All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Consumer Program				
1	Appliance Retirement	Includes both retail and home pickup stream; Retail stream allocated based on average of residential throughput; Home pickup stream directly attributed by postal code or customer selection	Savings are considered to begin in the year the appliance is picked up.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
2	Appliance Exchange	When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of residential throughput	Savings are considered to begin in the year that the exchange event occurred	
3	HVAC Incentives	Results directly attributed to LDC based on customer postal code	Savings are considered to begin in the year that the installation occurred	
4	Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC; Otherwise results are allocated based on average of residential throughput	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level. Reported results are presented with verified per unit assumptions and net-to-gross ratio from Bi-Annual Retailer Event and Conservation Instant Coupon Booklet initiatives.
5	Bi-Annual Retailer Event	Results are allocated based on average of residential throughput	Savings are considered to begin in the year in which the event occurs.	
6	Retailer Co-op	When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of residential throughput.	Savings are considered to begin in the year of the home visit and installation date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level. Reported results are presented with verified per unit assumptions and net-to-gross ratio from Bi-Annual Retailer Event and Conservation Instant Coupon Booklet initiatives.
7	Residential Demand Response	Results are directly attributed to LDC based on data provided to OPA through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a <i>peaksaver</i> PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
8	Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the saveONenergy CRM system; Reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year of the project completion date.	Peak demand and energy savings are determined using a measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Business Program				
9	Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
10	Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
11	Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
12	New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated, reported results are presented with reported assumptions.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
13	Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
14	Commercial Demand Response (part of the Residential program schedule)	Results are directly attributed to LDC based on data provided to OPA through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.
15	Demand Response 3 (part of the Industrial program schedule)	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st of the relevant year, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a result of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Industrial Program				
16	Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application in the saveONenergy CRM system.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
17	Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
18	Energy Manager	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
19	Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
20	Demand Response 3	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st of the relevant year, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a 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.
Home Assistance Program				
21	Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application; reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Legacy Programs Completed in Current Year				
22	Electricity Retrofit Incentive Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available , an estimate is made based on the kWh to kW ratio in the provincial results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
23	High Performance New Construction	Results are directly attributed to LDC based on customer data provided to the OPA from the gas utility.	Savings are considered to begin in the year in which a project was completed.	
24	Toronto Comprehensive	Program run exclusively in Toronto Hydro-Electric System Limited service territory		

#	Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
25	Multifamily Energy Efficiency Rebates	Results are directly attributed to LDC based on LDC identified in the application	Savings are considered to begin in the year in which a project was completed.	<p>Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).</p>
26	Data Centre Incentive Program	Program run exclusively in PowerStream Inc. service territory		
27	EnWin Green Suites	Program run exclusively in ENWIN Utilities Ltd. service territory		

Appendix 4.3 – Income Tax/PILs Workform for 2016 Filers



Ontario Energy Board

Income Tax/PILs Workform for 2016 Filers

Version 1.0

Utility Name	Rideau St. Lawrence Distribution Inc.
Assigned EB Number	EB-2015-0100
Name and Title	Peter Soules, Chief Financial Officer
Phone Number	(613) 925-3851
Email Address	psoules@rslu.ca
Date	31-Oct-15
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 2016 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!](#)[A1](#)
[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](#)
[T10 Schedule 10 CEC Test Year](#)
[T13 Schedule 13 Reserve Test Year](#)



Income Tax/PILs Workform for 2016 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	-144,093
Test Year - Payments in Lieu of Taxes (PILs)	T0	17,209
Test Year - Grossed-up PILs	T0	20,245
Federal Tax Rate	T0	10.5%
Ontario Tax Rate	T0	4.5%
<u>Calculation of Adjustments required to arrive at Taxable Income</u>		
Regulatory Income (before income taxes)	T1	258,816
Taxable Income	T1	114,723
Difference	calculated	-144,093 as above



Ontario Energy Board

Income Tax/PILs Workform for 2016 Filers

Rate Base

S **\$ 7,040,705**

Return on Ratebase

Deemed ShortTerm Debt %	4.00%	T	\$	281,628	$W = S * T$
Deemed Long Term Debt %	56.00%	U	\$	3,942,795	$X = S * U$
Deemed Equity %	40.00%	V	\$	2,816,282	$Y = S * V$
Short Term Interest Rate	1.65%	Z	\$	4,647	$AC = W * Z$
Long Term Interest	3.36%	AA	\$	132,478	$AD = X * AA$
Return on Equity (Regulatory Income)	9.19%	AB	\$	258,816	$AE = Y * AB$ T1
Return on Rate Base			\$	395,941	$AF = AC + AD + AE$

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



Ontario Energy Board

Income Tax/PILs Workform for 2016 Filers

Tax Rates

Federal & Provincial As of June 15, 2015

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

Notes

1. The Ontario Energy Board's proxy for taxable capital is rate base.
2. If taxable capital exceeds \$15 million the maximum tax rates apply.
3. If taxable capital is below \$10 million the minimum tax rates apply.
4. Where taxable capital is between \$10 million and \$15 million, the tax rate will be calculated.



Ontario Energy Board

Income Tax/PILs Workform for 2016 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%)

4.50% B
11.00% C

Total Income Taxes

Investment Tax Credits
Miscellaneous Tax Credits

Total Tax Credits

Corporate PILs/Income Tax Provision for Historical Year

Wires Only

\$	114,813	A
	15.50%	M = K + L
\$	17,796	E = A * D
		F
		G
\$	-	H = F + G
\$	17,796	I = H + E



Income Tax/PILs Workform for 2016 Filers

Adjusted Taxable Income - Historical Year

	T2S1 line #	Total for Legal Entity	Non-Distribution Eliminations	Historic Wires Only
Income before PILs/Taxes	A	270,839		270,839
Additions:				
Interest and penalties on taxes	103			0
Amortization of tangible assets	104	338,092		338,092
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	5,665		5,665
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			0
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
	294			0
	295			0
ARO Accretion expense				0
Capital Contributions Received (ITA 12(1)(x))				0
Lease Inducements Received (ITA 12(1)(x))				0
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		343,757	0	343,757
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	499,783		499,783
Terminal loss from Schedule 8	404			0
Cumulative eligible capital deduction from Schedule 10	405			0
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
				0
				0
				0
				0
				0
				0
				0
				0
Total Deductions		499,783	0	499,783
Net Income for Tax Purposes		114,813	0	114,813
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		114,813	0	114,813



Ontario Energy Board

Income Tax/PILs Workform for 2016 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		0

[B4](#)

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

[B4](#)



Income Tax/PILs Workform for 2016 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	3,553,134		3,553,134	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	32,969		32,969	B8
10	Computer Hardware/ Vehicles	259,438		259,438	B8
10.1	Certain Automobiles			0	B8
12	Computer Software			0	B8
13 ₁	Lease # 1			0	B8
13 ₂	Lease #2			0	B8
13 ₃	Lease # 3			0	B8
13 ₄	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	7,289		7,289	B8
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	274		274	B8
47	Distribution System - post February 2005	2,681,937		2,681,937	B8
50	Data Network Infrastructure Equipment - post Mar 2007	35,330		35,330	B8
52	Computer Hardware and system software			0	B8
95	CWIP			0	B8
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
	SUB-TOTAL - UCC	6,570,371	0	6,570,371	



Ontario Energy Board

Income Tax/PILs Workform for 2016 Filers

Schedule 10 CEC - Historical Year

Cumulative Eligible Capital

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				0

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 0

Current Year Deduction 0 x 7% = 0

Cumulative Eligible Capital - Closing Balance 0 [B10](#)



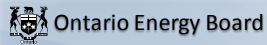
Ontario Energy Board

Income Tax/PILs Workform for 2016 Filers

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 2016 Filers

PILS Tax Provision - Bridge Year

Regulatory Taxable Income

Combined Tax Rate and PILs

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

4.50%
10.50%

Reference
B1

Wires Only

\$ 24,312 A

B
C

15.00% D = B + C

Total Income Taxes

calculated \$ 3,647 E = A * D

Investment Tax Credits
Miscellaneous Tax Credits

F
G

Total Tax Credits

\$ - H = F + G

Corporate PILs/Income Tax Provision for Bridge Year

\$ 3,647 I = H + E

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 2016 Filers

Adjusted Taxable Income - Bridge Year

	T2S1 line #	Working Paper Reference	Total for Regulated Utility
Income before PILs/Taxes	A		193,507
Additions:			
Interest and penalties on taxes	103		
Amortization of tangible assets	104		328,290
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		0
Charitable donations	112		
Taxable Capital Gains	113		
Political Donations	114		
Deferred and prepaid expenses	116		
Scientific research expenditures deducted on financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expense	121		
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves deducted in prior year	125	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		
Other Additions			
Interest Expensed on Capital Leases	290		
Realized Income from Deferred Credit Accounts	291		
Pensions	292		
Non-deductible penalties	293		
Change in future employee benefits	294		2,047
	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			330,337
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	499,532
Terminal loss from Schedule 8	404		
Cumulative eligible capital deduction from Schedule 10	405	B10	0
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)			
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)			
Total Deductions		calculated	499,532
Net Income for Tax Purposes		calculated	24,312
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	24,312





Ontario Energy Board

Income Tax/PILs Workform for 2016 Filers

Schedule 10 CEC - Bridge Year

Cumulative Eligible Capital

Reference

[H10](#)

0

Additions

Cost of Eligible Capital Property Acquired during Test Year

Other Adjustments

Subtotal

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

Amount transferred on amalgamation or wind-up of subsidiary

Subtotal

x 3/4 = 0

x 1/2 = 0

0 0

0 0

0 0

Deductions

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

Other Adjustments

Subtotal

x 3/4 = 0

Cumulative Eligible Capital Balance

0

Current Year Deduction

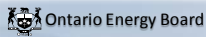
0 x 7% = 0

[B1](#)

Cumulative Eligible Capital - Closing Balance

0

[T10](#)

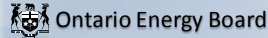


Income Tax/PILs Workform for 2016 Filers

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)(i)	H13	0		0			0	T14	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	T14	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 2016 Filers

PILs Tax Provision - Test 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%)

4.50%
10.50%

B
C

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 \$ 114,723 A

15.00% D = B + C

\$ 17,209 E = A * D

F

G

\$ - H = F + G

\$ 17,209 I = H + E [S. Summary](#)

\$ 3,037 K = J * I

\$ 20,245 L = K + I [S. Summary](#)



Ontario Energy Board

Income Tax/PILs Workform for 2016 Filers

Taxable Income - Test Year

	Working Paper Reference	Test Year Taxable Income
Net Income Before Taxes	A.	258,816
	T2 S1 line #	
Additions:		
Interest and penalties on taxes	103	
Amortization of tangible assets 2-4 ADJUSTED ACCOUNTING DATA P489	104	353,578
Amortization of intangible assets 2-4 ADJUSTED ACCOUNTING DATA P490	106	35,861
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	7,780
Charitable donations	112	
Taxable Capital Gains	113	
Political Donations	114	
Deferred and prepaid expenses	116	
Scientific research expenditures deducted on financial statements	118	
Capitalized interest	119	
Non-deductible club dues and fees	120	
Non-deductible meals and entertainment expense	121	
Non-deductible automobile expenses	122	
Non-deductible life insurance premiums	123	
Non-deductible company pension plans	124	
Tax reserves beginning of year	125	I13 0
Reserves from financial statements- balance at end of year	126	I13 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	
Other Additions: (please explain in detail the nature of the item)		
Interest Expensed on Capital Leases	290	
Realized Income from Deferred Credit Accounts	291	
Pensions	292	
Non-deductible penalties	293	
Change in future employee benefits	294	2,000

	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			399,219
Deductions:			
Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403	I8	543,312
Terminal loss from Schedule 8	404		
Cumulative eligible capital deduction from Schedule 10 CEC	405	I10	0
Allowable business investment loss	406		
Deferred and prepaid expenses	409		
Scientific research expenses claimed in year	411		
Tax reserves end of year	413	I13	0
Reserves from financial statements - balance at beginning of year	414	I13	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)			
Total Deductions		calculated	543,312
NET INCOME FOR TAX PURPOSES		calculated	114,723
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	114,723

TQ



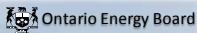
Ontario Energy Board

Income Tax/PILs Workform for 2016 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	B4	0		0
				0
Other Adjustments Add (+) Deduct (-)	T1	0		0
Balance available for use in Test Year	calculated	0	0	0
Amount to be used in Test Year	T1	0		0
Balance available for use post Test Year	calculated	0	0	0
Net Capital Loss Carry Forward Deduction				
Actual/Estimated Bridge Year	B4	0		0
				0
Other Adjustments Add (+) Deduct (-)				0
Balance available for use in Test Year	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 2016 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	1/2 Year Rule (1/2 Yr Additions Less Disposals)	Reduced UCC	Rate %	Test Year OCA	UCC End of Test Year
1	Distribution System - post 1987	B#	\$ 3,413,116	-	-	\$ 3,413,116	-	\$ 3,413,116	4%	\$ 136,525	\$ 3,276,591
1 Enhanced	Non-residential Building Reg. 1100/(I)a.1 election	B#	\$ -	\$ -	-	\$ -	-	\$ -	6%	\$ -	\$ -
2	Distribution System - pre 1988	B#	\$ -	-	-	\$ -	-	\$ -	6%	\$ -	\$ -
8	General Office/Stores Equip	B#	\$ 52,593	10,000	-	\$ 62,593	\$ 5,000	\$ 57,593	20%	\$ 11,519	\$ 51,074
10	Computer Hardware/ Vehicles	B#	\$ 222,619	390,000	-	\$ 612,619	\$ 195,000	\$ 417,619	30%	\$ 125,286	\$ 487,334
10.1	Certain Automobiles	B#	\$ -	\$ -	-	\$ -	-	\$ -	30%	\$ -	\$ -
12	Computer Software	B#	\$ -	-	-	\$ -	-	\$ -	-	\$ -	\$ -
13.1	Lease # 1	B#	\$ -	-	-	\$ -	-	\$ -	-	\$ -	\$ -
13.2	Lease #2	B#	\$ -	-	-	\$ -	-	\$ -	-	\$ -	\$ -
13.3	Lease # 3	B#	\$ -	-	-	\$ -	-	\$ -	-	\$ -	\$ -
13.4	Lease # 4	B#	\$ -	-	-	\$ -	-	\$ -	-	\$ -	\$ -
14	Franchise	B#	\$ -	-	-	\$ -	-	\$ -	-	\$ -	\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than	B#	\$ -	-	-	\$ -	-	\$ -	-	\$ -	\$ -
42	Fiber Optic Cable	B#	\$ -	-	-	\$ -	-	\$ -	12%	\$ -	\$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment	B#	\$ -	-	-	\$ -	-	\$ -	8%	\$ -	\$ -
43.2	Certain Clean Energy Generation Equipment	B#	\$ -	-	-	\$ -	-	\$ -	50%	\$ -	\$ -
45	Computers & Systems Software acq'd post Mar 22/04	B#	\$ 20,674	30,000	-	\$ 50,674	\$ 15,000	\$ 35,674	45%	\$ 16,053	\$ 34,621
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	B#	\$ 192	\$ -	-	\$ 192	\$ -	\$ 192	30%	\$ 58	\$ 134
47	Distribution System - post February 2005	B#	\$ 2,961,795	216,930	12,322	\$ 3,166,403	\$ 102,304	\$ 3,064,099	6%	\$ 245,126	\$ 2,821,275
50	Data Network Infrastructure Equipment - post Mar 2007	B#	\$ 15,899	-	-	\$ 15,899	\$ -	\$ 15,899	55%	\$ 8,744	\$ 7,154
52	Computer Hardware and system software	B#	\$ -	-	-	\$ -	-	\$ -	100%	\$ -	\$ -
95	CWIP	B#	\$ -	-	-	\$ -	-	\$ -	0%	\$ -	\$ -
			\$ -	-	-	\$ -	-	\$ -	5%	\$ -	\$ -
			\$ -	-	-	\$ -	-	\$ -	10%	\$ -	\$ -
			\$ -	-	-	\$ -	-	\$ -	0%	\$ -	\$ -
			\$ -	-	-	\$ -	-	\$ -	0%	\$ -	\$ -
			\$ -	-	-	\$ -	-	\$ -	0%	\$ -	\$ -
			\$ -	-	-	\$ -	-	\$ -	0%	\$ -	\$ -
			\$ -	-	-	\$ -	-	\$ -	0%	\$ -	\$ -
			\$ -	-	-	\$ -	-	\$ -	0%	\$ -	\$ -
TOTAL			\$ 6,686,887	\$ 646,930	\$ 12,322	\$ 7,321,495	\$ 317,304	\$ 7,004,191		\$ 543,312	\$ 6,778,163



Ontario Energy Board

Income Tax/PILs Workform for 2016 Filers

Schedule 10 CEC - Test Year

Cumulative Eligible Capital

[B10](#) 0

Additions

Cost of Eligible Capital Property Acquired during Test Year	0		
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
Amount transferred on amalgamation or wind-up of subsidiary	0		0
Subtotal			0

Deductions

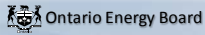
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all ECP during Test Year	0		
Other Adjustments	0		
Subtotal	0	x 3/4 =	0

Cumulative Eligible Capital Balance **0**

Current Year Deduction (Carry Forward to Tab "Test Year Taxable Income") **0** **x 7% =** **0**

Cumulative Eligible Capital - Closing Balance **0**

[T1](#)



Income Tax/PILs Workform for 2016 Filers

Schedule 13 Tax Reserves - Test Year

Continuity of Reserves

Description	Working Paper Reference	Bridge Year	Eliminate Amounts Not Returned 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)	B12	0	0	0			0		0
Tax Reserves Not Deductible for accounting purposes									
Reserve for doubtful accounts ss. 20(1)(l)	B13	0	0	0	0	0	0	0	0
Reserve for goods and services not delivered ss. 20(1)(m)	B13	0	0	0			0		0
Reserve for unpaid amounts ss. 20(1)(n)	B13	0	0	0			0		0
Data & Share Issue Expenses ss. 20(1)(e)	B13	0	0	0			0		0
Other tax reserves	B13	0	0	0			0		0
		0	0	0			0		0
		0	0	0			0		0
Total		0	0	0	11	0	0	11	0
Financial Statement Reserves (not deductible for Tax Purposes)									
General Reserve for Inventory Obsolescence (non-specific)	B13	0	0	0			0		0
General reserve for bad debts	B13	0	0	0			0		0
Accrued Employee Future Benefits:	B13	0	0	0			0		0
- Medical and Life Insurance	B13	0	0	0			0		0
- Short & Long-term Disability	B13	0	0	0			0		0
- Accumulated Sick Leave	B13	0	0	0			0		0
- Termination Cost	B13	0	0	0			0		0
- Other Post-Employment Benefits	B13	0	0	0			0		0
Provision for Environmental Costs	B13	0	0	0			0		0
Restructuring Costs	B13	0	0	0			0		0
Accrued Contingent Litigation Costs	B13	0	0	0			0		0
Accrued Self-Insurance Costs	B13	0	0	0			0		0
Other Contingent Liabilities	B13	0	0	0			0		0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	B13	0	0	0			0		0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	B13	0	0	0			0		0
Other	B13	0	0	0			0		0
		0	0	0			0		0
		0	0	0			0		0
Total		0	0	0	11	0	0	11	0