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OEB Filing Requirements Mapping Exhibit 4			
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2.4.1 Overview

In this Exhibit, the operating costs consist of the required expenditures necessary to maintain and operate InnPower Corporation's distribution system assets, the costs associated with metering, billing, collecting from its customers, the costs associated with ensuring all stakeholders' safety (public, employees etc.) and costs to maintain the distribution business service quality and reliability standards in compliance with the Distribution System Code and other regulatory bodies (IESO (formerly the OPA), Ministry of Energy, ESA etc.). Overall, these are on-going costs associated with providing distribution services in alignment with our customers' expectations.

InnPower Corporation's 2017 Test Year Operating Costs are \$6,187,625 including Operating, Maintenance and Administration (OM&A) and excluding LEAP and property taxes as summarized in Table 4-1 below. The 2017 Test Year requested recovery is \$1,297,433 greater than InnPower Corporation's 2013 COS Application EB-2012-0139 or a 5.5% increase from the Bridge Year.

Table 4-1: Summary of OM&A Increases: 2013 – 2017 Test Year

	Last Rebasing Year (2013 Board- Approved)	Last Rebasing Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Operations	\$ 1,234,230	\$ 1,323,999	\$ 1,342,978	\$ 1,377,569	\$ 1,455,280	\$ 1,578,483
Maintenance	\$ 506,161	\$ 463,151	\$ 471,477	\$ 427,525	\$ 530,250	\$ 667,795
Billing and Collecting	\$ 997,953	\$ 1,054,939	\$ 1,169,535	\$ 1,096,116	\$ 1,203,967	\$ 1,184,825
Community Relations	\$ 8,586	\$ 5,419	\$ 5,663	\$ 8,066	\$ 10,250	\$ 12,000
Administrative and General	\$ 2,143,263	\$ 2,147,695	\$ 2,234,998	\$ 2,648,314	\$ 2,638,335	\$ 2,744,522
Total	\$ 4,890,192	\$ 4,995,203	\$ 5,224,651	\$ 5,557,591	\$ 5,838,082	\$ 6,187,625
%Change (year over year)			4.6%	6.4%	5.0%	6.0%

InnPower Corporation adopted the changes for depreciation in 2012 with our 2013 COS Application EB-2012-0139. InnPower Corporation made no adjustments to capitalization policies with respect to overhead costs as they were never capitalized thus no impact to OM&A costs.

The OM&A requested in the 2017 Test Year reflect the resourcing mix and investments that InnPower Corporation requires to meet customer and broader public policy requirements.

As supported by future growth projections and Regional Planning, InnPower Corporation is facing a period of planning, designing, and implementation of infrastructure expansion,

1 preventative maintenance in conjunction with increased volumes of services to meet our
2 customer requirements resulting from year over year growth. As explained further in Section
3 2.4.3.1 Workforce Planning and Employee Compensation, InnPower Corporation is not
4 requesting any additional FTE headcount costs for this application nor did it fully acquire
5 planned FTE from our last rebasing application. This decision has been based on the following
6 guiding principles in preparing this application:

- 7
- 8 • Minimize impacts on existing customers to the extent possible while supporting
9 infrastructure expansion.
 - 10 • Growth will pay for Growth as per the Economic Evaluation
 - 11 • Resources will be added when new customers are added and or market changes dictate
12 while maintaining performance indices.
 - 13 • Maintain InnPower Corporation's current PEG Benchmarking ranking of 3.
- 14

15 InnPower Corporation will closely monitor performance indices throughout the IRM timeframe to
16 ensure that targets are maintained. Continued process improvements/efficiencies (as
17 documented in Exhibit 1 Section 2.1.10 InnPower Corporation Operational Efficiencies) and
18 expansion of shared service opportunities throughout the IRM timeframe will be prioritized to
19 mitigate additional FTE requirements.

20

21 Appendix 2-J (A, B, C) presented in Table 4-2:, summarizes the variance between OM&A
22 expenses in the 2017 Test Year as compared to the 2013 Board-approved Rebasing year and
23 actual expenses for 2013, 2014, and 2015. The data in the appendix shows that expenses are
24 forecast to increase by 23.87% from the 2013 Actual to the 2017 Test Year. The increase
25 includes one-fifth of the one-time costs, which are not anticipated to re-occur on a regular basis.
26 The one-time costs include one-time regulatory costs of \$58,300.

1 **Table 4-2: Appendix 2-JA – Summary of Recoverable OM&A Expenses**

Appendix 2-JA
Summary of Recoverable OM&A Expenses

	Last Rebasings Year (2013 Board- Approved)	Last Rebasings Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS
Operations	\$ 1,234,230	\$ 1,323,999	\$ 1,342,978	\$ 1,377,569	\$ 1,455,280	\$ 1,578,483
Maintenance	\$ 506,161	\$ 463,151	\$ 471,477	\$ 427,525	\$ 530,250	\$ 667,795
SubTotal	\$ 1,740,391	\$ 1,787,150	\$ 1,814,455	\$ 1,805,094	\$ 1,985,530	\$ 2,246,278
%Change (year over year)			1.5%	-0.5%	10.0%	13.1%
%Change (Test Year vs Last Rebasings Year - Actual)						25.7%
Billing and Collecting	\$ 997,953	\$ 1,054,939	\$ 1,169,535	\$ 1,096,116	\$ 1,203,967	\$ 1,184,825
Community Relations	\$ 8,586	\$ 5,419	\$ 5,663	\$ 8,066	\$ 10,250	\$ 12,000
Administrative and General	\$ 2,143,263	\$ 2,147,695	\$ 2,234,998	\$ 2,648,314	\$ 2,638,335	\$ 2,744,522
SubTotal	\$ 3,149,801	\$ 3,208,053	\$ 3,410,196	\$ 3,752,497	\$ 3,852,552	\$ 3,941,347
%Change (year over year)			6.3%	10.0%	2.7%	2.3%
%Change (Test Year vs Last Rebasings Year - Actual)						22.9%
Total	\$ 4,890,192	\$ 4,995,203	\$ 5,224,651	\$ 5,557,591	\$ 5,838,082	\$ 6,187,625
%Change (year over year)			4.6%	6.4%	5.0%	6.0%

	Last Rebasings Year (2013 Board- Approved)	Last Rebasings Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Operations	\$ 1,234,230	\$ 1,323,999	\$ 1,342,978	\$ 1,377,569	\$ 1,455,280	\$ 1,578,483
Maintenance	\$ 506,161	\$ 463,151	\$ 471,477	\$ 427,525	\$ 530,250	\$ 667,795
Billing and Collecting	\$ 997,953	\$ 1,054,939	\$ 1,169,535	\$ 1,096,116	\$ 1,203,967	\$ 1,184,825
Community Relations	\$ 8,586	\$ 5,419	\$ 5,663	\$ 8,066	\$ 10,250	\$ 12,000
Administrative and General	\$ 2,143,263	\$ 2,147,695	\$ 2,234,998	\$ 2,648,314	\$ 2,638,335	\$ 2,744,522
Total	\$ 4,890,192	\$ 4,995,203	\$ 5,224,651	\$ 5,557,591	\$ 5,838,082	\$ 6,187,625
%Change (year over year)			4.6%	6.4%	5.0%	6.0%

	Last Rebasings Year (2013 Board- Approved)	Last Rebasings Year (2013 Actuals)	Variance 2013 BA – 2013 Actuals	2014 Actuals	Variance 2014 Actuals vs. 2013 Actuals	2015 Actuals	Variance 2015 Actuals vs. 2014 Actuals	2016 Bridge Year	Variance 2016 Bridge vs. 2015 Actuals	2017 Test Year	Variance 2017 Test vs. 2016 Bridge
Operations	\$ 1,234,230	\$ 1,323,999	\$ 89,769	\$ 1,342,978	\$ 18,979	\$ 1,377,569	\$ 34,591	\$ 1,455,280	\$ 77,711	\$ 1,578,483	\$ 123,203
Maintenance	\$ 506,161	\$ 463,151	\$ 43,010	\$ 471,477	\$ 8,326	\$ 427,525	\$ 43,952	\$ 530,250	\$ 102,725	\$ 667,795	\$ 137,545
Billing and Collecting	\$ 997,953	\$ 1,054,939	\$ 56,986	\$ 1,169,535	\$ 114,596	\$ 1,096,116	\$ 73,419	\$ 1,203,967	\$ 107,851	\$ 1,184,825	\$ 19,142
Community Relations	\$ 8,586	\$ 5,419	\$ 3,167	\$ 5,663	\$ 244	\$ 8,066	\$ 2,403	\$ 10,250	\$ 2,184	\$ 12,000	\$ 1,750
Administrative and General	\$ 2,143,263	\$ 2,147,695	\$ 4,432	\$ 2,234,998	\$ 87,303	\$ 2,648,314	\$ 413,316	\$ 2,638,335	\$ 9,979	\$ 2,744,522	\$ 106,187
Total OM&A Expenses	\$ 4,890,192	\$ 4,995,203	\$ 105,011	\$ 5,224,651	\$ 229,448	\$ 5,557,591	\$ 332,940	\$ 5,838,082	\$ 280,491	\$ 6,187,625	\$ 349,543
Adjustments for Total non-recoverable items (from Appendices 2-JA and 2-JB)											
Total Recoverable OM&A Expenses	\$ 4,890,192	\$ 4,995,203	\$ 105,011	\$ 5,224,651	\$ 229,448	\$ 5,557,591	\$ 332,940	\$ 5,838,082	\$ 280,491	\$ 6,187,625	\$ 349,543
Variance from previous year				\$ 229,448		\$ 332,940		\$ 280,491		\$ 349,543	
Percent change (year over year)				5%		6%		5%		6%	
Percent Change: Test year vs. Most Current Actual						11.34%					
Simple average of % variance for all years						23.87%					5.50%
Compound Annual Growth Rate for all years											4.4%
Compound Growth Rate (2015 Actuals vs. 2013 Actuals)						3.62%					

Cost Drivers/Significant Changes/Trends

Overview of Cost Drivers

From InnPower Corporation's previous COS Application EB-2012-0139, and looking forward to the 2017 Test Year, InnPower Corporation has managed and met the following challenges in the respective categories and functional departments:

Human Resources

To maintain consistency and optimal delivery to our customers, InnPower Corporation is reliant on trained subject matter expert employees. Internal resources provide greater flexibility to manage fluctuations with respect to workload management, Regulatory/Market changes, technology changes, and, ultimately, work life balance for our employees.

2013

- 2 CSR retirements and 2 CSR replacements in January (1 month overlap for training)
- Implementation of new Customer Account Representative (CAR) position and new hire in January
- Hiring of part-time Financial Analyst in January, confirmed as full time in October
- 2 Customer Service co-op students
- 2 Engineering co-op students
- Temporary contract for CDM Representative

2014

- CDM Representative confirmed as full time in February
- 1 CSR retirement and 1 CSR replacement in April (2 months overlap for training)
- Engineering co-op student hired as Purchaser/Stock keeper
- 1 Engineering Administrative retirement in November replaced by CSR (1 month overlap)
- Temporary contract for CSR
- 1 Customer Service co-op student
- 1 Engineering co-op student
- Resignation of Operations Line Manager in June
- Retirement of Vice President of Corporate Services in December

2015

- Promotion of IT/Metering Manager to Vice President Corporate Services
- Promotion of CSR to IT Analyst
- 1 part-time CAR position and confirmed part-time to full-time CAR
- Promotion of Sub-Foremen to Operations Line Manager in January
- Promotion of line crew member to Sub-Foremen in February
- Replacement of line crew member in March
- Financial Analyst maternity leave and replacement in June (1 month overlap)
- Retirement of long-term President in July
- Vice President of Engineering appointed President in July
- Engineering Manager appointed Vice President of Engineering in July
- Replacement Engineering Manager hired in September
- Engineering contract for DSP Support
- Engineering contract for department support

2016

- Purchaser/Stock keeper maternity leave and contract replacement (3 week overlap)
- IT Analyst maternity leave replaced by CSR (1 month overlap), CSR replaced with contract
- CSR maternity leave and contract replacement
- Resignation of President in April
- Interim President appointed May
- New President appointed in August

2017

Resourcing is a critical component to the success of InnPower Corporation. Throughout the 2013 – 2016 timeframe InnPower Corporation successfully managed multiple resource issues while maintaining and or improving our Performance Scorecard targets/metrics while also managing workload increases.

To offset increased OM&A costs due to key cost drivers identified in Section 2.4.2 Summary & Cost Drivers InnPower Corporation has not fully fulfilled its 2013 - 5 year Human Resource Plan

other than resources brought on in late 2013. Further details are provided in Section 2.4.3.1 Workforce Planning and Employee Compensation.

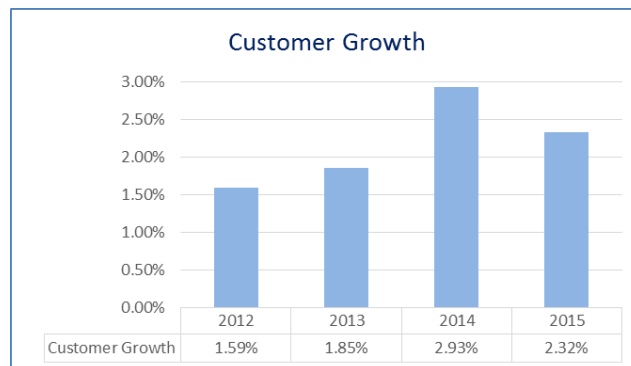
The following information identifies the following workload increases that InnPower Corporation has managed throughout the 2012 -2015 timeframe:

Note: the following increases do not reflect the additional ancillary workload functions to achieve these outcomes, for example, increased layouts, service upgrades, subdivision agreements, GIS updates, etc.

Customer Growth

Customer growth from 2012 to 2015 represents a 4 year average increase of 2.17%.

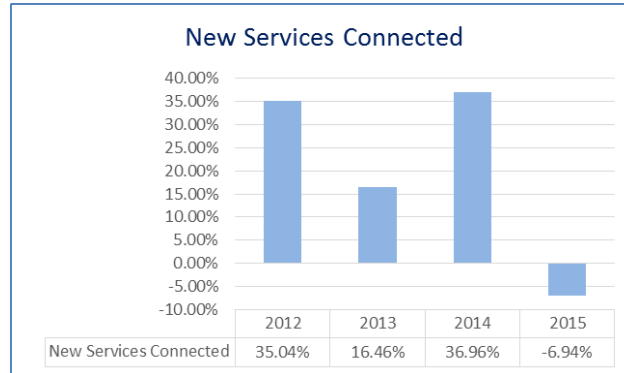
Customer Growth	2012	2013	2014	2015
Residential	14,061	14,315	14,728	15,073
GS<50	932	960	993	1,010
GS>50	69	66	69	74
Total	15,062	15,341	15,790	16,157
Year over Year Growth	1.59%	1.85%	2.93%	2.32%



New Services Connected

New services connected represent a 4 year average increase of 20.38%.

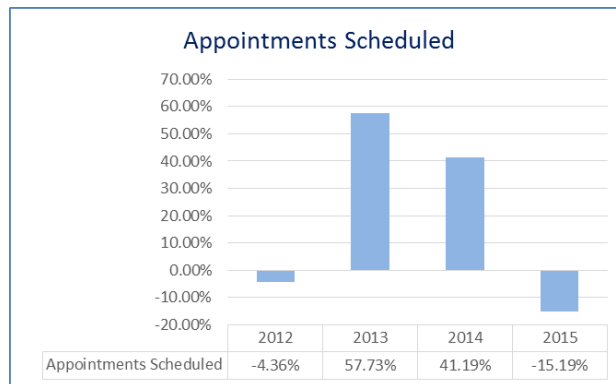
New Services Connected	2012	2013	2014	2015
Total Connections	316	368	504	469
Annual Increase/Decrease	35.04%	16.46%	36.96%	-6.94%



Appointments Scheduled

Appointments scheduled represent a 4 year average increase of 19.84%.

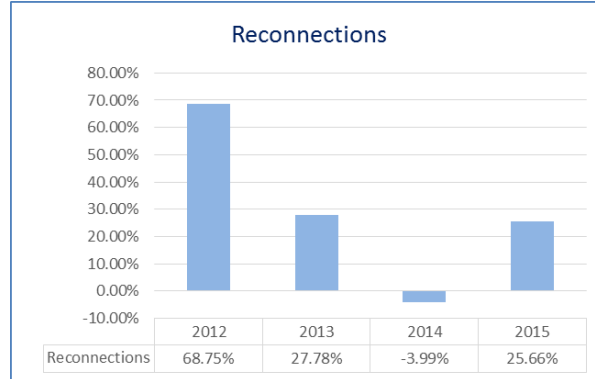
Appointments Scheduled	2012	2013	2014	2015
Appointments	2,347	3,702	5,227	4,433
Annual Increase/Decrease	-4.36%	57.73%	41.19%	-15.19%



Reconnections

Reconnections represent a 4 year average increase of 29.55%.

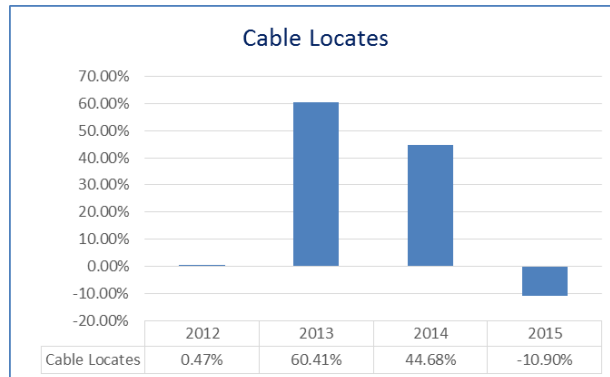
Reconnections	2012	2013	2014	2015
Reconnections	216	276	265	333
Annual Increase/Decrease	68.75%	27.78%	-3.99%	25.66%



Cable Locates

Cable locates represent a 4 year average increase of 23.6%.

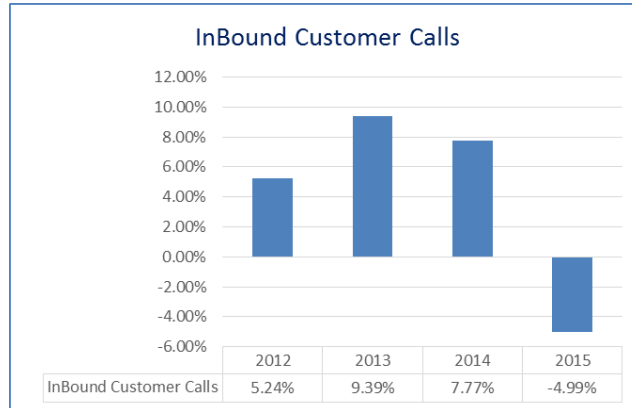
Cable Locates	2012	2013	2014	2015
Locates	1917	3075	4449	3964
Annual Increase/Decrease	0.47%	60.41%	44.68%	-10.90%



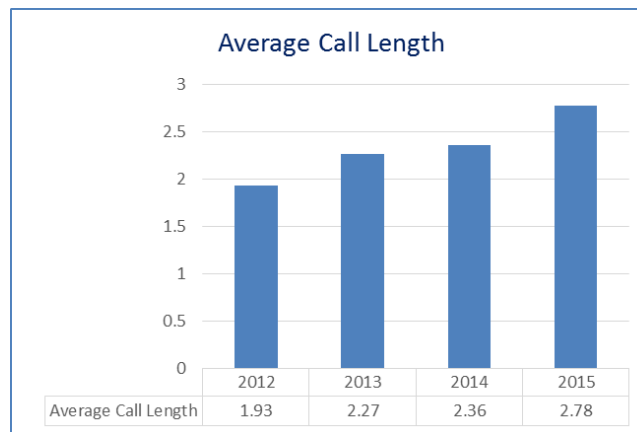
Inbound Customer Calls and Average Call Length

Inbound customer calls increased over the 4 year timeframe by 4.35%. IVR enhancements and online payment/account balance tools introduced in January 2015 has reduced the overall calls from 2014 to 2015. Offsetting the volume of calls though is an annual increase in the average call length which continues to increase year over year as simpler calls are managed via alternative mediums.

Inbound Customer Calls	2012	2013	2014	2015
Calls	18,833	20,602	22,203	21,095
Annual Increase/Decrease	5.24%	9.39%	7.77%	-4.99%



Average Call Length (MINS)	2012	2013	2014	2015
	1.93	2.27	2.36	2.78



InnPower Corporation has managed the increases without impact to our Performance targets/metrics; however, looking forward at the continued growth (densification) planned for InnPower Corporation's service territory we foresee the aforementioned workload functions continuing to increase throughout the IRM timeframe.

The following provides a summary of activities and accomplishments throughout the 2013 – 2015 by respective departments.

Operations/Engineering

- Technology implementations to reduce overall turnaround time contribute to reliability by means of monitoring and analysis tools

- Managed increased workload volumes with respect to customer demand while meeting and or exceeding RRR/SQI target metrics
- Formalization of InnPower Corporation's Distribution System Plan and implementation to day-to-day operations
- Regional Planning participation
- Constant interfacing with Municipalities, developers and builders to formalize and adapt planning assumptions and JIT (just in time) capital expenditures

Customer Service

- Managed increased workload volumes while delivering top notch customer service via inbound calls, customer walk-ins, email communications, first contact resolution, billing and collecting, enhancing customer energy education, payment arrangements
- Results are supported by InnPower Corporation's bi-annual customer survey and reported RRR/SQI target metrics

Finance

- Providing relevant, accurate and timely reporting, analysis to support the entire organization
- Increased workloads (AP/AR) resulting from interfacing department's increased workload functions
- IFRS – implementation and restating of financial statements

CDM

- Implementation and transition to Conservation First Framework
- Collaboration agreement with 14 CHEC LDC's for an Energy Manager to support our respective business customers to achieve energy savings target

Regulatory/Market Changes

- ON1CALL Implementation - 2013
- Measurement Canada Bill changes – 2014
- Removal of DRC and addition of line item on bill – January 1, 2016
- Removal of OCEB – January 1, 2016
- Implementation of OESP - January 1, 2016
- Ontario HST Rebate – January 1, 2017

- Additional RRR metrics reporting requirements
- Dependent on the initiative, Regulatory and Market changes impact the entire organization with respect to CIS changes (Customer Service/Finance), testing, training, customer messaging, potential consultant costs, reporting, and settlement with IESO.

Z-Factor

In March of 2016 InnPower Corporation experienced a Major Event Outage (due to an ice storm) for an elapsed time frame of 3 days. InnPower Corporation staff rallied to manage calls, posting updates on social media and assisting customers. Line crews and contractor staff worked shifts continuously to isolate and repair major failures. Costs associated with this event exceeded the materiality threshold as outlined in Chapter 3 Incentive Regulation Filing Requirements for Electricity Distribution Rate Applications issued July 25, 2014 and as such InnPower Corporation filed notice of a Z-Factor event with the OEB on April 25, 2016. A copy of this letter has been included in Appendix J.

In this application InnPower Corporation has requested an interim disposition of a Z-Factor Rate Rider to recover the incremental costs resulting directly from the event. Details of the calculated Rate Rider are set out in Exhibit 8.

InnPower Corporation has managed to implement overall process improvements/efficiencies which have allowed for improvement in our Performance Categories from 2012 – 2015 (with the exception of Major outages). InnPower Corporation will continue to seek areas of improvements; however, with current and forecasted growth additional headcount will be required to meet the needs of our customers and maintain our Scorecard Performance.

Further details of InnPower Corporation's efficiencies are documented in InnPower Corporation's Operational Efficiencies located in Exhibit 1, Section 2.1.10.

Trends

Table 4-3: Recoverable OM&A per Customer and Per FTE

	Last Rebasing Year - 2013- Board Approved	Last Rebasing Year - 2013- Actual	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Reporting Basis	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS	MIFRS
OM&A Costs						
O&M	\$ 1,740,391	\$ 1,787,150	\$ 1,814,455	\$ 1,805,094	\$ 1,985,530	\$ 2,246,278
Admin Expenses	\$ 3,149,801	\$ 3,208,053	\$ 3,410,196	\$ 3,752,497	\$ 3,852,552	\$ 3,941,347
Total Recoverable OM&A from Appendix 2-JB ⁵	\$ 4,890,192	\$ 4,995,203	\$ 5,224,651	\$ 5,557,591	\$ 5,838,082	\$ 6,187,625
Number of Customers ^{2,4}	15,341	18,286	18,736	19,073	19,718	20,319
Number of FTEs ^{3,4}	39	39	38	44	44	44
Customers/FTEs	393.36	468.16	491.37	433.48	448.13	461.78
OM&A cost per customer						
O&M per customer	113	98	97	95	101	111
Admin per customer	205	175	182	197	195	194
Total OM&A per customer	319	273	279	291	296	305
OM&A cost per FTE						
O&M per FTE	44,625	45,754	47,586	41,025	45,126	51,052
Admin per FTE	80,764	82,131	89,436	85,284	87,558	89,576
Total OM&A per FTE	125,390	127,885	137,022	126,309	132,684	140,628

(2,4) Number of Customers – corresponds to the customer numbers reported via Performance Based Reporting (PBR E2.1.2 Quarterly) for 2013 – 2015. 2016 and 2017 numbers are forecasted.

(3,4) FTE's are calculated as follows;

- Full time positions are counted as 1 FTE
- Part-time positions are calculated based on the number of hours worked, example a headcount working 32 hours equals 0.8 FTE (32/40)

OM&A per Customer

As indicated in Table 4-3: Recoverable OM&A per Customer and Per FTE the overall O&MA per Customer was below projected Board Approved values for 2013 – 2016 due to consistent annual customer growth. The projected OM&A per Customer from 2013 Board Approved values to 2017 Test year values is a decrease of \$14.00 per customer.

OM&A per FTE

As indicated in Table 4-3: Recoverable OM&A per Customer and Per FTE the overall O&MA per FTE was higher than projected Board Approved values for 2013 – 2016 due to increased OM&A

- 1 costs and FTE increases of 5 FTE. The overall projected increase in OM&A per FTE from 2013
- 2 Board Approved values to 2017 Test year values is an increase of \$15,238 per FTE.
- 3

2.4.2 Summary and Cost Driver Tables

Table 4:4: Recoverable OM&A Cost Driver Table

Cost Driver Analysis

**Appendix 2-JB
Recoverable OM&A Cost Driver Table**

OM&A	Notes:	Last Rebasings Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Reporting Basis			CGAAP	MIFRS	MIFRS	MIFRS
Opening Balance		\$ 4,890,192	\$ 4,995,203	\$ 5,224,651	\$ 5,557,591	\$ 5,838,082
Locates/ON1CALL	1	\$ 115,997	\$ 30,278	\$ 2,352	\$ 55,130	\$ 10,576
Human Resources	2	\$ 225,603	\$ 93,858	\$ 111,457	\$ 114,139	\$ 114,139
New Corporate Headquarters	3		\$ 114,988			\$ -
One time IFRS Adjustment to Emp Pensions/Benefits	4		\$ -	\$ 60,050	(60,050)	
Operations Impact	5			\$ 25,987	\$ 78,033	\$ 138,454
Maintenance Impacts	6				\$ 74,435	\$ 142,304
	7				\$ -	\$ -
Other		-\$ 10,986	(26,433)	\$ 40,409	\$ 21,486	-\$ 55,931
Closing Balance		\$ 4,995,203	\$ 5,224,651	\$ 5,557,591	\$ 5,838,082	\$ 6,187,624

Locates/ON1CALL

In 2013, Bill 8 legislation for ON1CALL came into effect. The impact of the legislation resulted in higher than normal cable-locate volumes, 2012 – 1,917, 2013 – 3,075 and 2014 – 4,449. In order to address the increased volumes and 5 day completion timeframes, InnPower Corporation found it necessary to look for external contracted assistance. The costs associated with software for locate management, locate completion, internal process changes and reporting are also reflected.

With InnPower Corporation's current and forecasted growth (due to densification), cable locate volumes are forecasted to increase throughout the 2016 Bridge and 2017 Test Year.

Human Resources

As outlined in Section 2.4.1 Overview, InnPower Corporation experienced higher Human Resource activity than compared to historical years (prior to 2012). Retirements, succession, resignations, maternity leaves and new hires were key components contributing to this driver. In addition to new FTE the following table sets out the additional factors for the Human Resources Cost Drivers for 2013 – 2017 timeframe.

Human Resources	Cost Drivers	2013	2014	2015	2016	2017
	Annual Increase		\$ 60,031	\$ 62,691	\$ 51,285	\$ 52,539
	New FTE's	\$ 43,000	\$ 115,000	\$ -	\$ -	\$ -
	Performance Pay	\$ -	\$ -	\$ -	\$ 35,588	\$ 36,300
	Benefit Increases		\$ 50,572	\$ 31,167	\$ 24,584	\$ 25,301
	Total HR Cost Driver	\$ 43,000	\$ 225,603	\$ 93,858	\$ 111,457	\$ 114,139

New Corporate Headquarters

Increase of \$114,000 reflects furniture, moving expense associated with the relocation to the new InnPower Corporation Headquarters from the previous service location (2073 Commerce Park Drive, Innisfil), and associated increased expenses (electricity, water, property tax, etc.) associated with maintaining the property. Previous to the move all costs were allocated to departments based on the space utilized by the respective department with the 5 buildings on the site. Costs were allocated amongst Account 5340, 5085, and 5620. With one building the costs have now been re-allocated to 5620.

One Time IFRS Adjustment to Employee Pension Benefits

The transition from MIFRS to IFRS required a one-time adjustment to Employee Pension and Benefits of \$60,050.

Operations Impacts

Cost Drivers for Operations total \$242,474 for the 2013 – 2017 timeframe. The drivers are threefold:

1. Increased Meter Expense due to customer growth and exchange pricing:

- \$25,987 in 2015, and
- \$26,211 in 2017

2. Increased Miscellaneous Distribution Expense:

- \$78,033 in 2016, and
- \$81,130 in 2017

InnPower Corporation has invested in advance technology and smart grid capability which includes the implementation of a fully operational SCADA system. The Operations Technology/SCADA team is responsible for the design, installation and support of technology required to effectively manage distribution system field operations. This includes wireless and data communication systems, SCADA Network Management System ("NMS") hardware and software.

The costs incurred in the operation of the SCADA system, including switching, battery checks and reporting are included in the above budget.

3. Line Supervision

- \$30,413 in 2017

The Engineering Department is responsible for system planning, load growth forecasting, and new connections. This includes capital project planning and design, load and generation connections, distribution asset replacement programs, introducing new distribution assets, load flow studies, system upgrades, overhead and underground feeder construction designs. The increase in Line Supervision costs is reflective of these increased activities.

Maintenance Impacts

The following table sets out the increased Maintenance cost drivers in 2016 and 2017. The costs are associated with planned maintenance activities which are required for InnPower Corporation's distribution system.

Maintenance Cost Drivers	2014	2015	2016	2017
Maintenance Underground Feeders				
Overhead Lines & Feeders			\$	11,661
Maintenance of Underground Services		\$	40,436	
Maintenance of Overhead lines - Right of Way		\$	33,999	
Overhead Conductors and Devices			\$	65,875
Maintenance Line Transformers			\$	50,855
Maintenance Poles/Towers/Fixtures			\$	13,913
Total	\$ -	\$	74,435	\$ 142,304

2.4.3 Program Delivery Costs with Variance Analysis

OM&A Program Variance Analysis

InnPower Corporation presents the OM&A Program Table (Appendix 2-JC) in the following table. Following the table InnPower Corporation provides the variance analysis followed by program definitions.

Table 4-5: Appendix 2-JC OM&A Program Table

Appendix 2-JC
OM&A Programs Table

Programs	Last Rebasing Year (2013 Board- Approved)	Last Rebasing Year (2013 Actuals)	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year	Variance (Test Year vs. 2015 Actuals)	Variance (Test Year vs. Last Rebasing Year (2013 Board-Approved))
Reporting Basis	CGAAP	CGAAP	CGAAP	MIFRS	MIFRS	MIFRS		
Operations								
1) Distribution Station	54,624	65,902	60,220	63,521	66,600	68,825	5,304	14,201
2) Overhead Distribution Operations	101,453	123,146	125,841	156,658	162,775	174,836	18,178	73,383
3) Underground Distribution Operations	71,932	107,020	121,324	118,116	135,550	140,863	22,747	68,930
4) Distribution Meters	215,732	186,719	215,366	241,353	253,245	270,856	29,503	55,124
5) Customer Workorders	42,222	139,974	155,948	156,993	173,300	178,563	21,570	136,341
6) Engineering/Systems Ops/Line Constr/SCADA/Ops Admin	748,268	701,238	664,279	684,928	663,810	744,541	59,612	-3,727
Sub-Total	1,234,230	1,323,999	1,342,978	1,421,569	1,455,280	1,578,483	156,913	344,253
Maintenance								
1) Overhead Distribution Lines/Feeders	379,731	326,707	275,315	281,961	341,175	422,853	140,891	43,121
2) Underground Distribution Lines/Feeders	73,103	74,486	142,880	105,037	135,275	140,288	35,251	67,184
3) Distribution Meters	34,732	27,299	23,803	23,319	28,750	28,750	5,431	-5,982
4) Distribution Transformers	18,595	34,660	29,480	17,208	25,050	75,905	58,697	57,310
Sub-Total	506,161	463,151	471,477	427,525	530,250	667,795	240,270	161,634
Community Relations								
1) Community Relations	8,586	5,419	5,663	8,066	10,250	12,000	3,934	3,414
Sub-Total	8,586	5,419	5,663	8,066	10,250	12,000	3,934	3,414
Customer Service								
1) Bad Debts	60,017	86,391	119,440	59,455	75,000	80,000	20,545	19,983
2) Customer Service & Billings	610,762	613,080	690,010	691,348	757,627	724,679	33,331	113,917
3) Customer Collections	327,173	355,468	360,085	345,313	371,340	380,146	34,833	52,973
Sub-Total	997,953	1,054,939	1,169,535	1,096,116	1,203,967	1,184,825	88,709	186,872
Administration								
1) Information Systems	193,625	242,079	233,742	282,148	333,500	345,679	63,531	152,054
2) Insurance	82,174	94,194	95,797	93,838	104,030	110,000	16,162	27,826
3) Audit, Legal and Consulting	132,208	123,227	131,529	199,342	186,000	181,100	-18,242	48,892
4) Building and Office Supplies	239,681	166,531	221,715	349,377	321,850	344,550	-4,827	104,869
5) Management, Administrative, Finance, Regulatory and IT	1,382,509	1,344,476	1,469,885	1,603,271	1,587,505	1,663,193	59,922	280,684
6) Regulatory Affairs (assessment & application costs)	113,064	177,188	82,330	120,339	105,450	100,000	-20,339	-13,064
Sub-Total	2,143,263	2,147,695	2,234,998	2,648,314	2,638,335	2,744,522	96,208	601,259
Miscellaneous				-44,000			44,000	0
Total	4,890,192	4,995,203	5,224,651	5,557,591	5,838,082	6,187,625	630,034	1,297,432

OM&A Program Variance Analysis

PROGRAM DELIVERY COSTS WITH VARIANCE ANALYSIS

Consistent with the outcomes-based approach as prescribed in the *Report of the Board, Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* (the “RRFE”), InnPower Corporation has summarized its OM&A costs on a Cost Centre/program basis.

In accordance with the Filing Requirements last revised on July 14, 2016, InnPower Corporation is presenting a variance analysis between the 2017 Test Year costs, the last Board approved costs and 2015 Actuals.

Materiality Threshold

For the purpose of the program variance analysis, InnPower Corporation is utilizing the amount of \$66,687.

This materiality threshold is 0.5% of InnPower Corporation’s requested Service Revenue Requirement of \$12,337,403.

2013 Board Approved Last Rebasing Year vs 2017 Test Year

Review of Appendix 2-JC OM&A Program Table (Table 4-5: Appendix 2-JC) identified the following variances for Operations Programs over the materiality threshold. The following narrative addresses each of the variances identified.

Table 4-6: Operations Program Variances 2013 Board Approved to 2017 Test Year

Operations	2013 Board Approved	2017 Test Year	Variance
Overhead Distribution Operations	\$ 101,453	\$ 174,836	\$ 73,383
Underground Distribution Operations	\$ 71,932	\$ 140,863	\$ 68,931
Customer Workorders	\$ 42,222	\$ 178,563	\$ 136,341

Overhead Distribution Operations

The Overhead Distribution Operations program ended with a variance of \$73,383 over the 2013 Board Approved amount of \$101,453. The key contributor is on call duties, which is always offered to internal staff first versus contractor staff due to their knowledge of InnPower Corporation's distribution system.

Underground Distribution Operations

The Underground Distribution Operations program ended with a variance of \$68,931 over the Board Approved amount of \$71,932. The key contributor is the impact of the ON1CALL legislation for locates dealing with increased volumes and subcontracted labour to comply with the regulation. The costs in this OM&A program are for locates mainly dealing with primary express feeder cables and underground bus systems.

Customer Work Orders

The Customer Work Orders program ended with a variance of \$136,341 over the 2013 Board Approved amount of \$42,222. The key contributor is the impact of the ON1CALL legislation for locates dealing with increased volumes and subcontracted labour to comply with the regulation. The 5070 account is overspent on internal staff locates and administrative preparation for one call, Bill 8 legislation. The 5075 account is predominately made up of subcontracted labor which was used to meet the heavy volume of locates and comply with the regulation. The program also contains the internal staff vehicle costs to do both customer premises and primary feeder express locates. Both the 5070 and 5075 accounts are for locates mainly dealing with customer premises secondary cables.

Table 4-7: Maintenance Program Variances 2013 Board Approved to 2017 Test Year

Maintenance	2013 Board Approved	2017 Test Year	Variance
Underground Distribution Lines/Feeders	\$ 73,103	\$ 140,288	\$ 67,185

Underground Distribution Lines/Feeders

The Maintenance of Underground and Distribution Lines/Feeders program ended with a variance of \$67,185 over the Board Approved amount of \$73,103. Contributors to this program variance are as a result of increased secondary cable faults caused by a deep frost year in 2014. The deep frost caused complexities in the cable fault repairs. The cold weather also caused unanticipated cable failures and preventative maintenance.

Table 4-8: Customer Service Program Variances 2013 Board Approved to 2017 Test Year

Customer Service	2013 Board Approved	2017 Test Year	Variance
Customer Service & Billing	\$ 610,762	\$ 724,679	\$ 113,917

The Customer Service and Billing program ended with a variance of \$113,917 over the Board Approved amount of \$610,762. The main contributor to this variance is the addition of an additional CAR (Customer Account Representative) in 2014 to manage customer growth and account management.

Table 4-9: Administration Program Variances 2013 Board Approved to 2017 Test Year

Administration	2013 Board Approved	2017 Test Year	Variance
Information Systems	\$ 193,625	\$ 345,679	\$ 152,054
Building and Office Supplies	\$ 239,681	\$ 344,550	\$ 104,869
Management/Admin/Finance/Reg/IT	\$ 1,382,509	\$ 1,663,193	\$ 280,684

Information Systems

The Information Systems program ended with a variance of \$152,054 over the Board Approved amount of \$193,625. The increase in this program is reflective of the new systems implemented in association with InnPower Corporations new Corporate Headquarters (security, IVR, phone system), IT requirements for staff complement (workstations. licensing, etc.), and software maintenance/upgrades.

Building and Office Supplies

The Building and Office Supplies program ended with a variance of \$104,869 over the Board Approved amount of \$239,681. The increase in this program is directly related to costs associated with InnPower Corporation's new Corporate Headquarters. The key driver is an increase of property tax from \$24,132 in 2013 to \$122,501 in 2017.

Management/Admin/Finance/Regulatory/IT

The Management/Admin/Finance/Regulatory/IT program ended with a variance of \$280,684 over the Board Approved amount of \$1,382,509. The increase in this program is reflective of new hires brought on throughout 2013 (1 Financial Analyst, 1/2 Regulatory Support, 1/2 Administrative Support) and the remaining full year impacts to 2017.

2017 Test Year vs 2015 Actuals

Review of Appendix 2-JC OM&A Program Table (Table 4-5: Appendix 2-JC) identified the following variances for the Operations and Maintenance Programs over the materiality threshold when comparing the 2017 Test Year to 2015 Actuals.

Table 4-11: Maintenance Program Variances 2015 Actuals to 2017 Test Year

Maintenance	2015 Actuals	2017 Test Year	Variance
Overhead Distribution Lines/Feeders	\$ 281,961	\$ 422,853	\$ 140,892

Overhead Distribution Lines/Feeders

The Overhead Distribution Lines/Feeder program ended with a variance of \$140,892 over the 2015 Actuals. The increase is attributed to allow for work that had been scheduled in the historical years but postpone due to budget restraints. Planned work includes;

- Overhauling and repairing line cut outs, line switches, line breakers, and capacitor installations.
- Cleaning insulators and bushings.
- Refusing line cut outs.
- Repairing line oil reclosers and associated relays and control wiring, repairing grounds.
- Resagging, retying, or rearranging position or spacing of conductors.
- Transferring loads, switching, and reconnecting circuits and equipment for maintenance purposes.

Program Definitions

Operations

Distribution Station

InnPower Corporation operates and maintains 10 distribution stations. In addition to regular monthly inspections, periodic maintenance and equipment replacements are required to ensure that the stations are able to effectively and reliably operate under system conditions.

InnPower Corporation currently has three cost accounts that are included in the above budget

Station Buildings and Fixtures Expense

Distribution Station Equipment - Operation Labour

Distribution Station Equipment - Operation Supplies and Expenses

Station Buildings and Fixtures Expense account (No. 5012) covers the cost of maintaining station control room as well as the station premises. Costs pertaining to the house-meters", as well as station grass cutting and other maintenance costs are included in this budget.

Distribution Station Equipment - Operation Labour account (No. 5016) primarily covers the cost of routine station inspections.

Distribution Station Equipment - Operation Supplies and Expenses account (No. 5017) covers the costs pertaining to supplies for station transformers, recloses, switches, wires and cables, and control room equipment supplies.

Overhead Distribution Operations

A significant portion of InnPower Corporation's power distribution system includes overhead lines. The entire overhead system is periodically inspected through a variety of programs outlined below.

InnPower Corporation currently has five cost accounts that are included in the above budget:

1. Overhead Distribution Lines and Feeders - Operation Labour
2. Overhead Distribution Lines and Feeders - Operation Supplies and Expenses
3. Overhead Subtransmission Feeders - Operation

4. Overhead Distribution Transformers - Operation

5. Overhead Distribution Lines and Feeders - Rental Paid

Overhead Distribution Lines and Feeders - Operation Labour account (No. 5020) includes part of the cost of the lines department manager's wages, as well as part of the cost of infrared patrol.

Infrared Scanning:

Electrical energy forces the movement of electrons through a conductor. In situations where a restriction in a conductor or an electrical connection exists, the movement of electrons through the restriction heats up. Left unabated, the effect of thermal 'hot spots' can have the following effects:

- Increased line losses
- Radio interference
- Damage to equipment
- The danger of energized equipment falling to the ground
- Power interruption

InnPower Corporation does not have trained personnel or the equipment necessary for infra-red scanning. This service is contracted out to an independent contractor at market rates. In an effort to be pro-active, infrared scanning is performed on InnPower Corporation's high voltage assets on a three-year cycle as follows:

Year 1: All overhead primary voltage 3 phase and single phase lines (44kV, 27.6kV, 8.32kV) including Distribution Stations.

Year 2: All 44kV overhead lines including Distribution Stations, half of (27.6 kV & 8.32kV) 3-phase overhead primary voltage lines and half of all underground primary voltage lines.

Year 3: All 44kV overhead lines including Distribution Stations, the other half of (27.6 kV & 8.32kV) 3-phase overhead primary voltage lines and the other half of all underground primary voltage lines.

Any abnormal condition is reported to InnPower Corporation for remedial action. Critical abnormalities are reported to InnPower Corporation for immediate action.

1 The cost for infra-red scanning has been budgeted in two accounts: 5020 and 5045.

2
3 Overhead Distribution Lines and Feeders - Operation Supplies and Expenses account (No.
4 5025) has been budgeted to cover the costs pertaining to contractor expenses for standby costs
5 and related expenses.

6
7 Overhead Sub transmission Feeders - Operation account (No. 5030) includes the cost of labour
8 for the supervision of sub-transmission feeder patrol, load tests and voltage surveys.

9
10 Overhead Distribution Transformers - Operation account (No. 5035) covers the cost of patrolling
11 to inspect overhead transformers and obtain transformer data for load analysis (on occasion
12 when nameplate data is not available in our files).

13
14 Overhead Distribution Lines and Feeders - Rental Paid account (No. 5095) covers the costs
15 pertaining to joint use payments.

16
17 **Underground Distribution Operations**

18
19 As a rapidly expanding LDC, InnPower Corporation's power distribution system has seen an
20 increase in its underground distribution system in the recent years. The entire underground
21 system is periodically inspected through a variety of programs outlined below:

22
23 InnPower Corporation currently has four cost accounts that are included in the above budget

- 24 1. Underground Distribution Lines and Feeders - Operation Labour
25 2. Underground Distribution Lines and Feeders - Operation Supplies and Expenses
26 3. Underground Subtransmission Feeders - Operation
27 4. Underground Distribution Transformers - Operation

28
29 1. Underground Distribution Lines and Feeders - Operation Labour account (No. 5040) covers
30 part of the cost of paying for the labour of Damager Prevention Technicians who perform
31 underground cable locates.

2. Underground Distribution Lines and Feeders - Operation Supplies and Expenses account (No. 5045) cover the cost of part of the infrared patrol inspection and the supplies and expenses for performing underground cable locates.

3. Underground Subtransmission Feeders - Operation account (No. 5050): InnPower Corporation currently does not budget any funds under this account.

4. Underground Distribution Transformers – Operation account (No. 5055) :): InnPower Corporation currently does not budgeted any funds under this account.

Distribution Meters

As a rapidly expanding LDC, InnPower Corporation's power distribution system has seen an increase in the number of connections and a proportionate increase in the number of meter installations.

InnPower Corporation currently has one cost account that is included in the above budget: Meter Expense account (No. 5065) includes the labour cost for InnPower Corporation's meter department personnel, and related expenses including meter reverification costs (as applicable). In the course of operating its Smart Meters as well as the commercial meters InnPower Corporation incurs costs pertaining to communication, labour, vehicles, tools for the meter technician, and training, on-going education, and certification.

Customer Work Orders

InnPower Corporation receives and processes a variety of customer related work orders on a routine basis. One such request pertains to locating underground cables.

InnPower Corporation currently has two cost accounts that are included in the above budget:

1. Customer Premises - Operation Labour
2. Customer Premises - Materials and Expenses

Both Customer Premises - Operation Labour account (No. 5070) and Customer Premises - Materials and Expenses account (No. 5075) pertain to costs incurred in performing underground locating services by a Damage Prevention Technician.

Engineering/Systems Ops/Line Construction/SCADA/Ops Admin

To keep abreast with the projected increase in load, and to continue to maintain (or improve) its current performance levels, InnPower Corporation has developed and funded the budget items noted below. These funds will support operations, dispatching, and other miscellaneous services needed to meet our customer needs and other performance goals.

InnPower Corporation currently has three cost accounts that are included in the above budget

1. Operation Supervision and Engineering (Account No. 5005)
2. Load Dispatching - (Account No. 5010)
3. Miscellaneous Distribution Expense (Account No. 5085)

1. Operation Supervision and Engineering (Account No. 5005)

Engineering:

The Engineering Department is responsible for system planning, load growth forecasting, and new connections. This includes capital project planning and design, load and generation connections, distribution asset replacement programs, introducing new distribution assets, load flow studies, system upgrades, overhead and underground feeder construction designs.

The cost of Engineering Supervision is budgets under the above account Operation Supervision and Engineering (No. 5005)

2. Load Dispatching - (Account No. 5010)

Operations

The power distribution system for the entire service territory is operated by InnPower Corporation's Operations department. The Operators oversee all aspects of the power distribution system including power outage restoration, event recording, establishing

1 safe work areas for all crews, preparing switching orders for load transfers, and
2 monitoring distribution stations in addition to numerous automated field devices.

3
4 InnPower Corporation has invested in advance technology and smart grid capability
5 which includes the implementation of a fully operational SCADA system. The Operations
6 Technology/SCADA team is responsible for the design, installation and support of
7 technology required to effectively manage distribution system field operations. This
8 includes wireless and data communication systems, SCADA Network Management
9 System (“NMS”) hardware and software.

10
11 The costs incurred in the operation of the SCADA system, including switching, battery
12 checks and reporting are included in the above budget.

13
14 3. Miscellaneous Distribution Expense (Account No. 5085)

15 Engineering & Operations Administration

16 The Administration Assistant provides assistance to the Engineering & Operations
17 Management Team, and organizes plans and executes day-to day administrative duties
18 including coordinating MTO requirements for fleet and driver compliance, preparing
19 locate requests, recording and tracking all trades training, and provides Administrative
20 support for 1 Vice President, 2 Managers, and 2 Supervisors within the department.

21
22 InnPower Corporation does not have a resident legal counsel to provide/advise on legal
23 issues or review contracts. Hence such services are contracted out. In an effort to
24 improve our efficiencies, InnPower Corporation has started to work closely with the
25 Town of Innisfil's legal department to reduce costs. A portion of our legal costs are
26 included in the above budget.

27
28 InnPower Corporation was one of the first LDC's of its size to implement a SCADA
29 system along with a radio network in the 1990's. Recently however, InnPower
30 Corporation upgraded its radio system due operations challenges including
31 obsolescence. Currently InnPower Corporation operates over 75 radio equipped
32 devices, all of which require obtaining a license from Industry Canada. InnPower
33 Corporation has partnered with the Town of Innisfil to share the radio backhaul system
34 and, therefore, the licensing cost burden to InnPower Corporation has been

1 proportionately reduced. InnPower Corporation's share of the cost of licensing is
2 included in the above cost.

3
4 Safety is our main focus. And, in an effort to maintain compliance with safety standards,
5 InnPower Corporation invests in programs that include rubber glove testing costs and
6 Fire Retardant clothing. These costs are included in the above budget.

7
8 Other support service costs such as internet, professional dues, training conferences,
9 stationary supplies, postage, telephone service, tools, and equipment repair costs are
10 also included in the above budget.

11
12 **Maintenance**

13
14 **Maintenance Programs**

15 InnPower Corporation's maintenance strategy is, to the extent possible, to minimize reactive
16 and emergency work through an effective planned maintenance program (including predictive
17 and preventative actions).

18
19 InnPower Corporation's customer responsiveness and system reliability are monitored
20 continually to ensure the effectiveness of the company's maintenance strategy. This effort is
21 coordinated with InnPower Corporation's capital project work, so that the company can adjust
22 capital spending priorities to deal with maintenance programs that require capital investments
23 as part of the corrective action.

24
25 **Predictive Maintenance**

26 Predictive maintenance activities involve planned testing of elements of InnPower Corporation's
27 distribution system. These activities include infrared thermography testing, transformer oil
28 testing and analysis, planned visual inspections and pole testing. These evaluation tools are all
29 administered using a grid system with appropriate frequency levels. Any identified deficiencies
30 found are prioritized and addressed within a suitable time frame.

31
32 **Emergency Maintenance**

33 This item includes unexpected system repairs to the electrical system that must be addressed
34 immediately - repairs due to storm damage, emergency tree trimming, and damaged or failed

1 equipment replacement. InnPower constantly evaluates its maintenance data to adjust
2 predictive and preventative actions. The ultimate objective is to minimize the requirement for
3 emergency maintenance.

4
5 Distribution Stations

6 InnPower Corporation operates and maintains 10 distribution stations. In addition to regular
7 monthly inspections, periodic maintenance and equipment replacements are required to ensure
8 that the stations are able to effectively and reliably operate under system conditions.

9
10 InnPower Corporation currently has one cost account that is included in the above budget.

11
12 Maintenance of Distribution Station Equipment (Account No. 5114)

13 InnPower has a routine maintenance schedule that is followed to ensure safe and reliable
14 operation of its distribution stations. Currently it contracts out the maintenance of its stations as
15 it does not have an in-house crew. These costs are accounted for in the above budget.

16
17
18 Overhead Distribution Lines/Feeders

19
20 Line Construction

21 InnPower Corporation's line construction consists of experienced Powerline Technicians who
22 service, maintain and provide emergency response to all aspects of InnPower Corporations
23 distribution system.

24
25 Line Patrol

26 Staff perform line patrol whenever driving through InnPower Corporation's distribution territory.
27 Distribution system problems are either remedied immediately or scheduled for remedial action.
28 Line patrol is also performed by line personnel and engineering staff when a problem has been
29 identified within a circuit by SCADA and or by customer calls. InnPower also conducted a pole
30 line condition assessment project as part of its overall asset condition assessment process in
31 preparation of its recent Distribution System Plan.

1 During routine patrols through Innisfil, many trouble calls are identified each year. Electrical
2 system problems ranging from tree limbs to failing parts and materials are repaired as
3 emergency calls at any time of day or night.

4
5 Pole top maintenance and inspection

6 Pole top maintenance and pole inspection is a program where line staff performs a physical
7 inspection at each pole in a defined route by setting up a Line truck to tighten and inspect all
8 hardware (insulators, cross-arms, bolts, etc.). Over time, wood poles shrink, wear and
9 deteriorate to a point that original installations become loose. With weather elements such as
10 wind and ice loading, hardware can eventually loosen and fail. The solution for this is on a
11 yearly basis, a defined route of approximately one eighth of all poles (approximately 1,250)
12 would be inspected from a Line truck and all hardware tightened. By staying proactive with this
13 program the aim is to lower the SAIDI & SAIFI reporting and lower emergency calls where
14 expense dollars are currently being drawn from. The extra cost to do this work has been
15 included in our long-range budget starting in 2017. To date, \$5,000 to \$7,000 per year is being
16 spent on an as needed basis when identified by a trouble call.

17
18 Vehicle Maintenance

19 InnPower has 18 motorized vehicles in its fleet consisting of 1-double bucket line truck, 1-single
20 bucket line truck, 1-RBD, 1-1 ton dump truck, 4 pick-up trucks, 5 Ford Escape Hybrids, 2 Honda
21 CRV's, 1 Kia Electric car, and 2 forklifts. Most of the current vehicles do not meet the weight
22 threshold for Commercial Vehicle Operator Registration (CVOR) except for the one ton dump
23 truck and the three line vehicles. They receive basic maintenance in accordance with the
24 manufacturer's recommendation. Any other maintenance or repairs are conducted in
25 accordance with the Ministry of Transportation vehicle safety standards. InnPower is exploring
26 options with the Town of Innisfil where vehicle maintenance will be done at the Town of Innisfil's
27 new Operation Centre.

28
29 The cost for maintaining InnPower Corporation's fleet is allocated to projects on a vehicular
30 hourly basis.

31
32 InnPower Corporation's overhead distribution lines and feeder maintenance program is funded
33 through the following budget item. A detail list of inspection items as noted in Appendix C of the
34 Distribution System Code are provided in Addendum 2.

1. Maintenance of Poles, Towers and Fixtures
2. Maintenance of Overhead Conductors and Devices
3. Maintenance of Overhead Services
4. Overhead Distribution Lines and Feeders - Right of Way

1. Maintenance of Poles, Towers and Fixtures (Account No. 5120)

InnPower Corporation owns and operates over 10,000 poles in its service territory. Each year in Innisfil at least 10 complaint calls are received from customers for leaning poles. These are existing poles that over time have leaned due to weather or soil conditions. Whether on a rural or urban road, it is becoming more noticeable that the existing poles are leaning more with each passing year. Presently, InnPower uses a small amount of expense budget out of the 5120 account to deal with this issue; however, the small amount of money available for this problem is not nearly enough to combat the larger picture outside of a few complaints.

2. Maintenance of Overhead Conductors and Devices (Account No. 5125)

InnPower Corporation owns and operates approximately 660 kilometers of overhead primary conductors, 36 motorized 44 kV switches, and 6 distribution SCADA-Mate switches, 9 capacitors, and 4 regulators. To ensure proper upkeep of these devices our lines crews perform maintenance on a regular basis. The above budget includes funding for both the maintenance and troubleshooting of the devices noted above.

3. Maintenance of Overhead Services (Account No. 5130)

InnPower Corporation serves over 16,000 customers, and a majority of those customers are residential type customers with overhead service that are of an older vintage. The cost to maintain and service these assets is funded by this budget. Also, each customer is entitled to a free disconnect/reconnect every year, and the cost of providing the service required for a disconnect/reconnect is also funded by this budget.

5. Overhead Distribution Lines and Feeders - Right of Way (Account No. 5135)

1 Tree Trimming

2 Vegetation and Right of Way control is a requirement under the Minimum Inspection
3 Requirements of the Distribution System Code and good utility practice¹. InnPower has
4 a large rural and urban area where overhead hydro lines are in the proximity to trees. In
5 an effort of mitigating direct contact between trees and distribution assets, tree trimming
6 is conducted on a three-year cycle. InnPower does not have any in-house tree trimming
7 personnel or equipment and therefore uses an independent contractor at market rates.
8 Depending on the size, shape and growth aspect of relevant trees, the tree trimmers
9 remove sufficient foliage from the tree to limit the possibility of contact during high wind
10 situations within a three-year time frame.

11
12 Following tree trimming, the independent contractor removes all debris and returns the
13 site to as-found condition. Any pole line damage or anomaly noticed by the tree
14 trimming crew is reported to InnPower for remedial action.

15
16 **Underground Distribution Lines/Feeders**

17
18 InnPower Corporation owns and operates over 170 kilometers of underground conductors and
19 performs routine inspection and maintenance to ensure safe and reliable operation. The
20 following budget items have been developed and funded to meet our performance
21 requirements.

- 22 • Maintenance of Underground Conduit
23 • Maintenance of Underground Conductors and Devices
24 • Maintenance of Underground Services

25
26 Maintenance of Underground Conduit (Account No. 5145)

27 InnPower currently does not service underground conduits and therefore does not budget for
28 such expenses.

29
30 Maintenance of Underground Conductors and Devices (Account No. 5150)

31 InnPower owns and operates over 170 kilometers of underground conductors (both primary and
32 secondary/service), and 35 padmount switchgear. These devices require regular maintenance

1 to ensure long term reliable operation, and the above budget supplies funds needed for this
2 work. The costs to repair failed primary cable or express secondary feeders are also funded by
3 this budget.

4
5 Maintenance of Underground Services (Account No. 5155)

6 InnPower has underground infrastructure in subdivisions dating back to the 1960's and 1970's
7 that are nearing the end of their useful life. As the failure rate is carefully monitored to ensure
8 the cables are replaced in a timely/cost effective manner, the cables that fail in the interim as
9 repaired using field splices. The cost to repair failed underground service cable is funded by
10 this budget.

11
12 **Distribution Transformers**

13
14 InnPower Corporation owns and operates over 3,200 distribution transformers and performs
15 routine inspection and maintenance to ensure safe and reliable operation. The following budget
16 items have been developed and funded to meet our performance requirements.

17
18 Maintenance of Line Transformers (Account No. 5160)

19 InnPower owns and operates over 2,100 line transformers. Based on a recent condition
20 assessment study of all its major assets InnPower has developed a robust program to identify
21 overloaded and/or damaged transformers and to take corrective actions as required to optimize
22 reliability. The funds available through this budget provide the means to perform repairs to
23 damaged transformers that are identified through the infrared program and during line patrols.

24
25 Maintenance of Padmount Transformers (Account No. 5161)

26 InnPower owns and operates over 1,100 padmount transformers. Based on a recent condition
27 assessment study of all its major assets InnPower has developed a robust program to identify
28 overloaded and/or damaged transformers and to take corrective actions as required to optimize
29 reliability. The funds available through this budget provide the means to perform repairs to
30 damaged transformers that are identified through the infrared program and during visual
31 inspections.

Distribution Metering

The Metering department is responsible for the installation, testing and commissioning of existing and new, simple and complex revenue metering installations. This includes operational use and support of InnPower Corporation's smart meter AML. The Metering Department also completes testing of complex metering installations to ensure regulatory compliance and the accuracy of the installation. Through this process meter multipliers used for billing purposes are verified.

Revenue Protection is another key activity performed by Metering, by proactively investigating potential diversion and theft of power

Wholesale Meters

InnPower Corporation has seven wholesale meters within its distribution system. These meters are pole mounted and measure the electrical energy entering InnPower's distribution territory from Hydro One. Five of the wholesale meters are on 44 kV circuits and two are on 8.32 kV circuits. InnPower is a 'Market Participant' as defined by the Independent Electricity System Operator. The meters are regulated under the authority of Measurement Canada. The wholesale meters and accompanying instrument transformers are certified once every six years, after which they must be re-sealed by a licensed Meter Service Provider

The cost for maintaining wholesale meters is budgeted in account 5175.

Retail Meters

InnPower Corporation has over 15,850 retail meters in service. These range from typical 240 V single phase meters to 44 kV primary meters at privately-owned transformer stations. The demarcation point between InnPower and the customer's property is specified in InnPower Corporation's Conditions of Service.

The meters are regulated under the authority of Measurement Canada with meter seals ranging from 6-12 years, after which the meters must be resealed or sample tested. If sample testing shows meter accuracy for residential meters, then sample groups can pass inspection without being re-sealed.

1 All retail smart meters are read on a daily basis by wireless technology, while interval meters
2 are read on a daily basis by InnPower's agent through phone lines. Any meter reading problems
3 are reported immediately for remedial action by InnPower.

4
5 The annual cost for maintaining retail meters is budgeted in accounts 5065 and 5175.

6 7 **Community Relations**

8
9 InnPower Corporation is committed to providing consumer information and responses to
10 customers on electricity distribution and related issues in a timely and proactive manner and
11 performs these functions via Customer Service, Operations and CDM Outreach.

12
13 Since InnPower Corporation is the "face to face" interface to the community, we also have an
14 important role in educating the public about electrical safety and energy conservation.

15
16 InnPower Corporation offers annual safety presentations to schools, fire and police departments,
17 and local businesses within our service territory. Costs associated with these educational
18 activities are maintained in this program.

19 **Customer Service**

20 21 Bad Debts

22 This Cost Centre primarily records all debts written off due to non-collected final accounts.

23 24 Customer Service & Billings

25 The Customer Service Department is responsible for the customer care activities for the 20,319
26 customers forecasted for the 2017 Test Year in InnPower Corporation's service territory. These
27 activities include meter reading, billing, call centre and other back office functions. Customer
28 Service and Billing is also responsible for such activities as payment processing, move-in and
29 move-out requests and call centre activities for InnPower Corporation's customers.

30
31 InnPower Corporation has managed a steady increase in annual call volumes and call length. In
32 addition to the inbound calls our customer service representatives also manage over 6,000
33 customer walk-ins per year. All employees aspire to achieve customer service excellence in
34 their processes and programs that interface with our customers.

1 Customer Collections

2 Collections involve a combination of activities, including the collection of overdue active and
3 final accounts and security deposits. Because credit risk is a concern for InnPower Corporation,
4 in an effort to minimize credit losses InnPower Corporation enforces a prudent credit policy in
5 accordance with the Distribution System Code. Active overdue accounts are collected by in-
6 house staff through notices, e-mails, letters and direct telephone contact. The Credit
7 Department attempts to collect all final bill accounts prior to turning the accounts over to a
8 collection agency 60 days after the final due date.

9
10 **Administration**

11
12 Information Systems

13 The Information Systems department is responsible for the development, operation,
14 maintenance and security of all business system applications and hardware utilized by
15 InnPower Corporation in its operations. These include the customer information, financial
16 management and work management systems, along with all related computer workstations,
17 networking infrastructure, mobile device management and disaster recovery planning.

18 Insurance

19 This Cost Centre records all costs associated with Property Insurance and Injury and Damages
20 insurance.

21
22 Audit, Legal and Consulting

23 This Cost Centre records all costs associated with InnPower Corporation's annual financial
24 audit, legal review of service contracts, engineering agreements (economic evaluations) and
25 outside consulting costs that maybe required for implementation of projects.

26
27 Building and Office Supplies

28 This Cost Centre encompasses administrative expenses related to the operation and
29 maintenance of InnPower Corporation's Corporate Headquarters. Relevant costs include: hydro,
30 water, janitorial, repairs, maintenance, security, property tax etc.

31 This Cost Centre also records costs associated with office supplies for InnPower Corporation's
32 staff compliment to execute job functions.

1 Regulatory Affairs

2 The Regulatory Affairs department is responsible for all regulatory reporting and compliance
3 with applicable codes and legislation governing InnPower Corporation.

4 Regulatory reporting includes development and preparation of OEB rate filings, settlement
5 reporting, regulatory reporting, and compliance.

6

7

2.4.3.1 Workforce Planning and Employee Compensation

Human Resource Workforce Plans

InnPower Corporation's previous 5 year Human Resource Workforce Plan (EB-2012-0139) identified the addition of 5 FTE. Table 4-12: outlines the positions and proposed hiring year.

Table 4-12: EB-2012-0139 Human Resource Plan

EB-2012-0139 Human Resource Plan				
Position	2013	2014	2015	2016
Financial Analyst	1			
Regulatory Support PT	0.5			
Administrative Support PT	0.5			
CSR	1			
Business Analyst				1
SCADA/Meter Tech.				1
Dispatcher			1	
Total	3		1	2

InnPower Corporation has not fulfilled the EB-2012-0139 Human Resources Plan for resources identified beyond 2013.

This was a conscious decision on behalf of InnPower Corporation, as referenced in the Section 2.1.2 Executive Summary in Exhibit 1, InnPower Corporation has been operating under the following guiding principles:

1. Where feasible, minimize impacts on existing customers
2. Growth will pay for Growth as per the Economic Evaluation
3. Resources will be added when customer growth, demand and/or market changes dictate
4. Maintain InnPower Corporation's Performance ranking

In preparation of InnPower Corporation's 2016 5 Year Business Plan the following Human Resources Plan was outlined for EB-2016-0085.

Table 4-13: EB-2016-0085

EB-2016-0086 Human Resource Plan					
Position	2017	2018	2019	2020	2021
Administrative Support fT	0.5				
Regualtory Suport FT	0.5				
Eng Technologist	1				
Executive Assistant	1				
Accounting Clerk	1				
Network Admininistrator	1				
Locators	2				
Purchaser		1			
CSR		1			
Metering/IT Manager		1			
Meter Technician		1			
Sub Foreman		1			
Line Crew		2			
Eng & Ops Assistant		1			
Inspector		1			
HR/Admin Assist			1		
Total	7	9	1	0	0

Prior to hiring additional resources that have been identified in the EB-2012-0139 and EB-2016-0085 Human Resource Plans, InnPower Corporation will closely monitor performance indices throughout the IRM timeframe to ensure that targets are maintained. Continued process improvements/efficiencies (as documented in Exhibit 1 Section 2.1.10 InnPower Corporation Operational Efficiencies) and expansion of shared service opportunities throughout the IRM timeframe will be prioritized to mitigate additional FTE requirements.

Employee Complement

As explained in the description of the Corporate Organization at Exhibit 1, InnPower Corporation has 38 full-time employees and three part-time employees.

Compensation - Union

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 our distribution system, as well as the competitive wage levels of its geographic market.

InnPower Corporation is bound by a Collective Agreement with the Power Workers' Union, representing both Office and Trades workers. In June of 2013, the utility negotiated a 3-year collective agreement, in place effective July 6, 2013. Wage increases were negotiated at 2.75% in year 1, 2.5% in year 2 and 2.5% in year 3. InnPower Corporation has provided a copy of its Collective Agreement following this schedule. At the time of the preparation of this application, InnPower Corporation is in negotiations with PWU for a new contract for the 2016 – 2018 timeframe. For purposes of this application InnPower Corporation has assumed a 2.5% annual increase.

Compensation – Non-Union

All non-union employees' compensation levels are reviewed by the President/CEO and the Board of Directors. The increase in total compensation paid to employees in non-union and management positions has historically matched the negotiated increases for unionized employees if approved by InnPower Corporation's Board of Directors. For purposes of this application InnPower Corporation has assumed a 2.5% annual increase.

OMERS Pension Plan:

InnPower Corporation employees are members of the Ontario Municipal Employees Retirement System (OMERS). OMERS is a multi-employer defined benefit pension plan that most LDCs participate in and, as such, the pension benefit provided to InnPower Corporation employees is consistent with that of other LDCs.

The plan is a contributory defined benefit pension plan which is financed by equal contributions from the employer and employee based on the employee's contributory earnings. InnPower Corporation's pension premium information for 2013 Actual, 2014 Actual, 2015 Actual, 2016 Bridge Year and 2017 Test Year is detailed in Table 4.5 below. For the 2016 Bridge and 2017 Test Years, InnPower Corporation has assumed OMERS rates of 9% on earnings up to CPP earnings limits and 14.6% on earnings over CPP earnings limit.

Table 4.14: - OMERS Pension Expense Summary

Company	2013 Actual	2014 Actual	2015 Actual	2016 Bridge	2017 Test Year
OMERS	\$ 307,078	\$ 329,230	\$ 338,234	\$ 348,381	\$ 358,832

The increase in OMERS premiums from 2013 through 2017 are explained by incremental increases in staff wages and complement.

Health, Dental & Life Insurance Benefits:

InnPower Corporation employees contribute 5% towards the monthly premiums for health, dental and life insurance benefits. The company pays the remaining 95%. The figures above represent the whole premium, without the employee contribution. Long term disability is 100% funded by the company. The following table 4.12 outlines benefit costs for the historical and test year.

Table 4.15: InnPower Corporation Benefit Summary

Benefit	2013 Actual	2014 Actual	2015 Actual	2016 Bridge	2017 Test Year
Statutory					
CPP	\$ 94,784	\$ 102,700	\$ 106,642	\$ 109,841	\$ 113,136
EI	\$ 51,082	\$ 55,094	\$ 57,253	\$ 58,971	\$ 60,740
EHT	\$ 64,428	\$ 68,251	\$ 70,298	\$ 72,407	\$ 74,579
WSIB	\$ 31,838	\$ 33,042	\$ 37,895	\$ 39,032	\$ 40,203
Total Statutory	\$ 242,132	\$ 259,087	\$ 272,088	\$ 280,251	\$ 288,658
Company					
OMERS	\$ 307,078	\$ 329,230	\$ 338,234	\$ 348,381	\$ 358,832
Health	\$ 68,726	\$ 77,507	\$ 89,596	\$ 92,284	\$ 95,052
Dental	\$ 62,324	\$ 63,378	\$ 58,957	\$ 60,726	\$ 62,547
Life Insurance	\$ 18,368	\$ 19,313	\$ 18,493	\$ 19,048	\$ 19,619
LTD	\$ 36,415	\$ 37,999	\$ 37,378	\$ 38,499	\$ 39,654
EAP	\$ 2,542	\$ 1,638	\$ 1,638	\$ 1,687	\$ 1,738
Total Company	\$ 495,453	\$ 529,065	\$ 544,296	\$ 560,625	\$ 577,444
Retiree Benefits	\$ -	\$ -	\$ 2,962	\$ 3,027	\$ 3,102
Total Benefit Costs	\$ 737,585	\$ 788,152	\$ 819,346	\$ 843,903	\$ 869,204

A copy of InnPower Corporation's most recent Actuarial Report is located in Appendix F of this Exhibit.

The following table from the Chapter 2 Appendixes reflects InnPower Corporation's employee compensation for the historical and test year.

Table 4:16: – OEB Appendix 2-K Employee Compensation

**Appendix 2-K
Employee Costs**

	Last Rebasing Year - 2013- Board Approved	Last Rebasing Year - 2013- Actual	2014 Actuals	2015 Actuals	2016 Bridge Year	2017 Test Year
Number of Employees (FTEs including Part-Time)¹						
Management (including executive)	11	11	11	10	10	10
Non-Management (union and non-union)	28	28	27	34	34	34
Total	39	39	38	44	44	44
Total Salary and Wages including overtime and incentive pay						
Management (including executive)	\$ 1,263,246	\$ 1,263,246	\$ 1,280,059	\$ 1,302,820	\$ 1,161,540	\$ 1,315,900
Non-Management (union and non-union)	\$ 1,876,914	\$ 1,876,914	\$ 2,086,628	\$ 2,165,000	\$ 2,301,581	\$ 2,363,053
Total	\$ 3,140,160	\$ 3,140,160	\$ 3,366,687	\$ 3,467,820	\$ 3,463,121	\$ 3,678,953
Total Benefits (Current + Accrued)²						
Management (including executive)	\$ 252,649	\$ 252,649	\$ 256,012	\$ 260,564	\$ 225,513	\$ 232,278
Non-Management (union and non-union)	\$ 375,383	\$ 375,383	\$ 417,326	\$ 433,000	\$ 402,872	\$ 414,958
Total	\$ 628,032	\$ 628,032	\$ 673,337	\$ 693,564	\$ 628,385	\$ 647,236
Total Compensation (Salary, Wages, & Benefits)						
Management (including executive)	\$ 1,515,895	\$ 1,515,895	\$ 1,536,071	\$ 1,563,384	\$ 1,387,053	\$ 1,548,178
Non-Management (union and non-union)	\$ 2,252,297	\$ 2,252,297	\$ 2,503,954	\$ 2,598,000	\$ 2,704,453	\$ 2,778,011
Total	\$ 3,768,192	\$ 3,768,192	\$ 4,040,024	\$ 4,161,384	\$ 4,091,506	\$ 4,326,189

2.4.3.2 Shared Services and Corporate Cost Allocation

In accordance with Chapter 2 of the Filing Requirements for Transmission and Distribution Application issued on July 14, 2016, InnPower Corporation is providing information on shared services/corporate cost allocation for Actual 2013, 2014 and 2015 Fiscal Years, together with projections for the 2016 Bridge Year and the 2017 Test Year are provided in Appendix 2-N (Tables 4-14: to 4-18).

Currently, InnPower Corporation provides Water/Waste Water Billing services for the Town of Innisfil. This billing service was implemented in mid-year 2013. InnPower Corporation entered into a negotiated bi-lateral agreement with the Town of Innisfil for a period of 5 years with the current agreement ending 2017. A copy of this agreement has been included in this Exhibit in Appendix I – InnPower Corporation Water/Waste Water Service Agreement.

In August of 2015, IPC enter into a shared services agreement with InnServices for the provision of financial services which includes payroll, monthly reconciliations and reporting, miscellaneous invoicing, accounts payable and managing the year-end audit. Payment for these services is at cost plus 1%. This provides an additional revenue stream to IPC which benefits our customers with regards to rates.

InnPower Corporation confirms that any Board of Director costs for affiliates are not included in LDC costs.

Table 4-17: Appendix 2-N 2013

Appendix 2-N Shared Services and Corporate Cost Allocation ¹

Year: 2013

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
InnPower Corporation	Town of Innisfil	Water Waste Water Billing	Negotiated Agreement	251,044	190,269

1 **Table 4-18: Appendix 2-N 2014**

Appendix 2-N
Shared Services and Corporate Cost Allocation ¹

Year: 2014

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
InnPower Corporation	Town of Innisfil	Water Waste Water Billing	Negotiated Agreement	204,916	172,254

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3

4 **Table 4-19: Appendix 2-N 2015**

5

Appendix 2-N
Shared Services and Corporate Cost Allocation ¹

Year: 2015

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
InnPower Corporation	Town of Innisfil	Water Waste Water Billing	Negotiated Agreement	238,308	184,243
InnPower Corporation	InnServices (TOI)	Financial Services	Negotiated Agreement	31,618	31,305

6

7

8 **Table 4-20: Appendix 2-N 2016**

Appendix 2-N
Shared Services and Corporate Cost Allocation ¹

Year: 2016

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
InnPower Corporation	Town of Innisfil	Water Waste Water Billing	Negotiated Agreement	235,000	185,650
InnPower Corporation	InnServices (TOI)	Financial Services	Negotiated Agreement	227,645	225,391

9

1 **Table 4-21: Appendix 2-N 2017**

Appendix 2-N
Shared Services and Corporate Cost Allocation ¹

Year: 2017

Shared Services

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
InnPower Corporation	Town of Innisfil	Water Waste Water Billing	Negotiated Agreement	245,000	193,530
InnPower Corporation	InnServices (TOI)	Financial Services	Negotiated Agreement	232,198	229,899

2
3
4
5 **2.4.3.3 Purchases of Non-Affiliate Services**

6
7 InnPower Corporation purchases many services and products from third parties. Tables 4-19 to
8 4-21 below provides InnPower Corporation's expenditures on purchased products and services.
9 This table discloses expenditures for suppliers where total purchases were greater than the
10 materiality threshold of \$50,000 for years 2013 to 2014, and 2015.

11
12 InnPower Corporation strives to procure goods and services costing greater than \$50,000 either
13 through a formal Request for Tender (RFT) or Request for Proposal process (RFP) in
14 accordance with the procurement policy below. In circumstances where goods and services are
15 procured via a sole-source process, an assessment is made of the circumstances to ensure
16 compliance with the company's procurement policy and then presented to the Board of
17 Directors for approval to proceed.

1 **Table 4-22: 2013 Non-Affiliate Suppliers**

2013 Non-Affiliate Suppliers			
Vendor	Amount	Product or Service	Procurement Method
1500516 Ontario Inc.	\$ 57,406.80		
BDO Canada LLP	\$ 123,246.04	Great Plains Software Support	Market Rate
BWK Construction Co. Ltd.	\$ 991,375.96	Contractor New Administration Building	Tender
Canada Post Corporation	\$ 133,403.02	Postage	Market Rate
Canada Power Products	\$ 228,085.98	Switchgear	Market Rate
CHEC Association Inc.	\$ 60,488.62	Association	Membership Dues
Debt Retirement Charge Program	\$ 1,615,281.67	Regulatory	Regulatory
Guelph Utility Pole Co.	\$ 337,130.98	Poles	Market Rate
Harris Computer Systems	\$ 139,431.81	Software Maintenance	Market Rate
HD Supply Power Solutions	\$ 535,378.28	Pole Line Materials, Transformers, Wire	Quote, Tender
HGR Graham Partners LLP	\$ 684,072.11	Legal Services	Market Rate
Hydro One Networks Inc.	\$ 3,943,297.81	Power	Market Rate
Hydro Vacuum Systems	\$ 215,338.58	Engineering, Locates	Quote, Tender
Loris Technologies Inc.	\$ 59,685.72		
M.E.A.R.I.E.	\$ 94,370.23	Liability and Property Insurance	Market Rate
M.W. Weller Tree Service Ltd.	\$ 141,565.36	Tree Trimming	Tender
Manulife Financial	\$ 213,543.50	Benefit Insurance	Market Rate
McKnight Charron Laurin Inc.	\$ 326,489.48	Architects New Administration Building	Tender
Ministry of Finance	\$ 221,524.25	Special Purpose Charge	
Moloney Electric Inc.	\$ 101,603.95	Transformers	Quote, Tender
Newmarket Honda	\$ 67,895.68	Vehicles	Market Rate
Noramco Wire & Cable	\$ 60,135.14	Conductor	Market Rate
Olameter Inc.	\$ 154,410.83	Meter Reading Services	Market Rate
Ontario Energy Board	\$ 60,191.31	Assessment Rates	Regulated
Ontario Municipal Employees	\$ 607,521.48	OMERS Pension	Market Rate
Power Edge Systems Inc.	\$ 54,612.57	Computer Hardware	Market Rate
Riggs Distler Inc.	\$ 1,048,281.62	Engineering, Lines Contractor	Tender
Robert B. Somerville	\$ 449,757.78	Pole Line Construction	Tender
Savage Data Systems Ltd.	\$ 77,468.08	Metering, Billing Software Application	Market Rate
Sensus Canada	\$ 78,317.88	Metering	Market Rate
Sturdy Power Lines Ltd.	\$ 202,664.71	Pole Line Construction	Tender
Valard Construction LP	\$ 189,532.25	Construction	Tender
W.M. Weller Tree Service Ltd.	\$ 141,565.36	Tree Service	Tender

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3
4

Table 4-23: 2014 Non-Affiliate Suppliers

2014 Non-Affiliate Suppliers			
Vendor	Amount	Product or Service	Procurement Method
Aegisys	\$ 70,150.26	IT Support	Market Rate
BDO Canada LLP	\$ 116,680.38	Great Plains Software Support	Market Rate
Black & McDonald Limited	\$ 1,321,718.64	Distribution Station	Tender
Burman Energy Consultants	\$ 85,086.86	CDM Delivery	Tender
BWK Construction Co. Ltd.	\$ 7,261,006.45	Contractor New Administration Building	Tender
Canada Power Products	\$ 158,510.75	Switchgear	Tender
CHEC Association Inc.	\$ 70,011.53	Association	Membership Dues
Costello Utility Consultants	\$ 71,417.49	Distribution Station Design	Tender
Canada Post Corporation	142,324.68	Postage	Market Rate
Debt Retirement Charge Program	\$ 1,650,393.80	Regulatory	Regulatory
HGR Graham Partners LLP	\$ 82,455.72	Legal Services	Market Rate
Green Saver	\$ 59,382.17	CDM Delivery	Tender
Guelph Utility Pole Co.	\$ 66,803.34	Poles	Quote, Tender
Harris Computer Systems	\$ 129,873.50	Software Maintenance	Market Rate
Harkel Office Furniture Ltd.	\$ 90,145.75	Cubicles - New Administration Building	Tender
HD Supply Power Solutions	\$ 350,794.17	Pole Line Materials, Transformers, Wire	Quote, Tender
Hutton Communications of Canada	\$ 92,978.37	Radio Communications Accessories	Market Rate
Hydro One Networks Inc.	\$ 4,139,486.12	Power	Regulated
Hydro Vacuum Systems	\$ 296,769.24	Engineering, Locates	Quote, Tender
Manulife Financial	\$ 228,852.28	Benefit Insurance	Market Rate
McKnight Charron Laurin Inc.	\$ 165,904.52	Architects New Administration Building	Tender
M.E.A.R.I.E.	\$ 94,631.50	Liability and Property Insurance	Market Rate
Moloney Electric Inc.	\$ 84,209.86	Transformers	Quote, Tender
Ontario Energy Board	\$ 52,785.28	Assessment Rates	Regulated
Olameter Inc.	\$ 161,840.75	Meter Reading Services	Market Rate
Ontario Municipal Employees	\$ 707,807.50	OMERS Pension	Market Rate
Pratt Development Inc.	\$ 144,401.67	Engineering, Economic Evaluations	Regulated, Customs
Riggs Distler	\$ 996,506.30	Engineering, Lines Contractor	Tender
R.L. Brews Supply	\$ 60,423.36	Fault Indicators	Quote, Tender
Savage Data Systems Ltd.	\$ 78,146.17	Metering, Billing Software Application	Market Rate
S&C Electric Canada Ltd.	\$ 222,061.67	Switchgear	Market Rate
Sensus Canada	\$ 92,995.18	Metering	Market Rate
Siemens Canada Limited	\$ 206,192.63	Radio Communication Equipment	Market Rate
Simcoe Office Products	\$ 50,343.41	Office Furniture	Market Rate
Survalent Technology	\$ 167,946.25	SCADA software	Tender
Util-Assist Inc.	\$ 115,975.61	CDM Delivery	Market Rate
Virginia Transofermer Canada Inc.	\$ 391,458.00	Transformers	Tender
W.M. Weller Tree Service Ltd.	\$ 108,833.54	Tree Service	Tender

Table 4-24: 2015 Non-Affiliate Suppliers

2014 Non-Affiliate Suppliers			
Vendor	Amount	Product or Service	Procurement Method
Advanced Lift Truck Service	\$ 89,679.63	Vehicle Service	Market Rate
Advanced Towers	\$ 230,820.60	Communications	Tender
Aegisys	\$ 120,747.33	IT Support	Market Rate
Anixter Power Solutions Canada	\$ 72,518.59	Wire	Tender
BDO Canada LLP	\$ 178,059.29	Great Plains Software Support	Market Rate
Bellaire Properties Inc.	\$ 94,064.59	Engineering, Economic Evaluation	Regulated, Customs
Black & McDonald Limited	\$ 172,614.09	Substation contractor for Belle Ewart DS	Tender
BWK Construction Co. Ltd.	\$ 1,984,389.78	Contractor New Administration Building	Tender
Canada Power Products	\$ 97,113.33	Switchgear	Tender
CHEC Association Inc.	\$ 69,629.61	Association	Membership Dues
Canada Post Corporation	154,539.93	Postage	Market Rate
Debt Retirement Charge Program	\$ 1,693,754.18	Regulatory	Regulatory
General Electric Canada	\$ 59,269.63	Transformer Repair at Lefroy	Quote, Tender
Grant Thornton LLP	\$ 70,873.60	Audit for IFRS Transition	Market Rate
HGR Graham Partners LLP	\$ 104,004.38	Legal Services	
Great Ontario Hydrovac Inc.	\$ 68,896.10	Hydrovac Services	Quote, Tender
Guelph Utility Pole Co.	\$ 326,237.78	Poles	Quote, Tender
Harris Computer Systems	\$ 128,856.32	Software Maintenance	Market Rate
HD Supply Power Solutions	\$ 290,381.39	Pole Line Materials, Transformers, Wire	Quote, Tender
Hydro One Networks Inc.	\$ 4,248,736.17	Power	Regulated
Hydro Vacuum Systems	\$ 157,962.99	Engineering, Locates	Quote, Tender
Innisbrook Developments	\$ 174,917.22	Regulated	Customs
KPC Power Electrical Ltd.	\$ 266,690.94	Station Maintenance	Tender
Manulife Financial	\$ 239,151.67	Liability and Property Insurance	Market Rate
McKnight Charron Laurin Inc.	\$ 93,165.61	Architects New Administration Building	
M.E.A.R.I.E.	\$ 112,335.05	Insurance Provider	Market Rate
Moloney Electric Inc.	\$ 102,044.65	Transformers	Quote, Tender
Ontario Energy Board	\$ 57,150.42	Assessment Rates	Regulated
Olameter Inc.	\$ 176,047.14	Meter Reading Services	Market Rate
Ontario Municipal Employees	\$ 625,958.30	OMERS Pension	Market Rate
Riggs Distler	\$ 1,601,593.37	Engineering, Lines Contractor	Tender
Savage Data Systems Ltd.	\$ 96,364.78	Metering, Billing Software Application	Market Rate
S&C Electric Canada Ltd.	\$ 79,735.84	Switches	Tender
Sensus Canada	\$ 110,422.02	Metering	Market Rate
Util-Assist Inc.	\$ 148,818.40	CDM Delivery	Market Rate
Virginia Transformer Canada Inc.	\$ 397,108.00	Transformers	Tender
Virelec Ltd.	\$ 153,796.95	Scada Cabinets	Market Rate
Western Mechanical	\$ 76,388.00	Pole Bunks	Quote
W.M. Weller Tree Service Ltd.	\$ 88,415.62	Tree Service	Tender

InnPower Corporation has provided a copy of its Financial Policies and Procedures in Appendix E of this Exhibit.

2.4.3.4 One-time Costs

InnPower Corporation has included the 2017 Cost of Service Application costs as one-time costs. These costs have been included in the 2017 Test Year OM&A expenses. Since these costs do not occur annually, the 2016 Cost of Service Application costs are proposed to be recovered over a 5 year period. Therefore, only one-fifth of the costs have been recorded as expenses in the 2017 Test Year.

InnPower Corporation has estimated these costs to be \$291,500, (\$140,000 in the 2016 Bridge Year and \$151,500 in the 2017 Test Year). These costs include the costs payable to the Ontario Energy Board for the review of the Application, legal, and consulting costs related to the Application.

A summary of these costs are presented in the following Table 4-24 Appendix 2-M – Regulatory Cost Schedule.

This Application has required a substantial amount of internal Regulatory, Finance, Engineering, and Operations personnel time. These departments have set aside time or worked overtime in order to complete this Application, while continuing to fulfill their normal duties.

2.4.3.5 Regulatory Costs

InnPower Corporation regulatory costs consist mainly of, the OEB's annual dues, costs for annual rate publications, and the cost of preparing the 2017 Cost of Service Application.

Appendix 2-M (Table 4-23) outlines historical, Bridge Year and Test Year costs. These costs are required in order to meet all the regulatory reporting requirements and reviewing and responding to changing policies, legislation and OEB requirements.

Table 4-25: Appendix 2-M Regulatory Costs (On-Going and One-Time)

**Appendix 2-M
Regulatory Cost Schedule**

Regulatory Cost Category	USoA Account	USoA Account Balance	Ongoing or One-time Cost? ²	Last Rebasing Year (2013 Board Approved)	Most Current Actuals Year 2015	2016 Bridge Year	Annual % Change	2017 Test Year	Annual % Change
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H) = [(G)-(F)]/(F)	(I)	(J) = [(I)-(G)]/(G)
1 OEB Annual Assessment	5655-900	\$ -	On-Going	\$ 49,000	\$ 51,535	\$ 50,000	-2.98%	\$ 50,000	0.00%
2 OEB Section 30 Costs (Applicant-originated)			On-Going	\$ 8,000	\$ -	\$ 8,000		\$ 8,000	0.00%
3 OEB Section 30 Costs (OEB-initiated)		\$ -	On-Going	\$ 8,000	\$ 7,528	\$ 8,000	6.26%	\$ 8,000	0.00%
5 Legal costs for Application			One-Time		\$ 40,000	\$ 40,000		\$ 40,000	0.00%
6 Consultants' costs for Application			One-Time	\$ 41,000	\$ 56,541	\$ 100,000	76.86%	\$ 50,000	-50.00%
7 OEB Cost of Reviewing Application			One-Time					\$ 14,000	
8 OEB Transcription Costs			One-Time					\$ 2,500	
11 Intervenor costs			One-Time	\$ 9,000		\$ -		\$ 45,000	
12 Sub-total - Ongoing Costs ³		\$ -		\$ 65,000	\$ 59,063	\$ 66,000	11.74%	\$ 66,000	0.00%
13 Sub-total - One-time Costs ⁴		\$ -		\$ 50,000	\$ 56,541	\$ 140,000	147.61%	\$ 151,500	8.21%
14 Total		\$ -		\$ 115,000	\$ 115,604	\$ 206,000	78.19%	\$ 217,500	5.58%

Table 4-26: Summary of One Time Regulatory Costs

	Historical Year(s)	2016 Bridge Year	2017 Test Year
Expert Witness costs			
Legal costs		40,000	40,000
Consultants' costs		100,000	50,000
OEB Cost of Reviewing Application			14,000
OEB Transcription Costs			2,500
Intervenor costs			45,000
Total		140,000	151,500

InnPower Corporation is proposing to recover the one-time costs related to the 2017 EB-2016-0085 application in the amount of \$291,500 over a 5 year period (test year and subsequent IRM term 2017-2021). The proposed annual one-time cost to be recovered is \$58,300.

2.4.3.6 Low-income Energy Assistance Programs (LEAP)

InnPower Corporation has included the following amounts of expense for the Low Income Assistance Program (LEAP) under Deductions Donation Expense (USoA #6205) as reflected in the following table. 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 \$2000.

InnPower Corporation has forecasted an amount of \$14,805 (i.e. 0.12% of \$12,337,403 of the proposed revenue requirement) for financial assistance of low-income customers. InnPower Corporation acknowledges that the LEAP amount will be adjusted to account for changes resulting from the Board's decision on the final service revenue requirement. The need for LEAP in InnPower Corporation's service territory has historically been beyond the 0.12% provided annually with funds being depleted around the January timeframe. To this end InnPower Corporation has provided additional funds to the Greater Simcoe County United Way of \$27,950.00 from 2012 – 2015. The funds provided were a result of CDM Management fees from IESO for participation results for respective energy programs. InnPower Corporation has not included the \$27,950 amount for recovery in rates.

InnPower Corporation has selected its lead-social agency and signed an agreement with the United Way - Greater Simcoe County.

1 In compliance with OEB policy, InnPower Corporation:

- 2 • Collects money from ratepayers for LEAP EFA in the amount approved by the OEB;
- 3 • Transfers program funds to Greater Simcoe County United Way;
- 4 • Determines funding allocations within their service territory by geography;
- 5 • Establishes partnerships, contracts, and operational procedures with Lead Agencies;
- 6 • Receives, recording and taking appropriate action upon notification from an Intake
- 7 Agency (or Lead Agency as appropriate) that an assessment of eligibility is being
- 8 undertaken;
- 9 • Receives, recording and taking appropriate action upon notification from an Intake
- 10 Agency (or Lead Agency as appropriate) of decisions on applications;
- 11 • Confirms customer and account information used in determining program eligibility,
- 12 including information on payment history; and
- 13 • Reports to the OEB in accordance with OEB reporting requirements through RRR
- 14 filings 2.1.16.

15
16 **2.4.3.7 Charitable and Political Donations**

17 InnPower Corporation has a policy in place that it does not donate to charities and, as such, the
18 utility confirms that no charitable donations have been included in OM&A expenses for 2017 –
19 2021 other than the identified LEAP funding.

20
21 InnPower Corporation confirms that no political contributions have been included for recovery in
22 distribution rates.

2.4.4 Depreciation, Amortization and Depletion

InnPower Corporation has provided details for depreciation and amortization (depletion is not applicable) by asset group for 2012 to 2015 Historical Years and for 2016 Bridge and 2017 Test Years (see Tables 4-25 to 4-31 below).

InnPower Corporation proposes maintaining the half-year rule for 2017 distribution rate setting purposes and has prepared the depreciation and amortization schedules accordingly.

1 **Table 4–27: 2012 Depreciation Expense Appendix 2-CA Former CGAAP (Year 1)**

<input checked="" type="checkbox"/> 2012 Set of Appendices (2-CA to 2-CG)	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. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2012	Former CGAAP
<input type="checkbox"/> 2013 Set of Appendices (2-CA to 2-CF)	Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013 and has adopted IFRS for financial reporting purposes effective January 1, 2015. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2013	Former CGAAP

Account	Description	Opening Regulatory Gross PP&E as at Jan. 1	Less Fully Depreciated	Net for Depreciation	Additions	Total for Depreciation ¹	Years	Depreciation Rate	Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ²
		(a)	(b)	(c)	(d)	(e) = (c) + ½ x (d)	(f)	(g) = 1 / (f)	(h) = (e) / (f)		(m) = (h) - (l)
1611	Computer Software (Formally known as Account 1925)	\$ 363,599	\$ 162,914	\$ 200,685	\$ 99,903	\$ 250,637	3.00	33.33%	\$ 83,546	\$ 103,253	\$ 19,708
1612	Land Rights (Formally known as Account 1906)	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1805	Land	\$ 273,770	\$ -	\$ 273,770	\$ -	\$ 273,770	-	0.00%	\$ -	\$ -	\$ -
1808	Buildings	\$ 982,703	\$ 239,103	\$ 743,600	\$ 195	\$ 743,503	50.00	2.00%	\$ 14,870	\$ 14,935	\$ 65
1810	Leasehold Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ 86,252	\$ 3,452	\$ 82,800	\$ -	\$ 82,800	25.00	4.00%	\$ 3,312	\$ 3,450	\$ 138
1820	Distribution Station Equipment <50 kV	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1825	Storage Battery Equipment	\$ 4,358,561	\$ 1,353,335	\$ 3,005,226	\$ 47,197	\$ 2,981,628	25.00	4.00%	\$ 119,265	\$ 115,044	\$ 4,221
1830	Poles, Towers & Fixtures	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1835	Overhead Conductors & Devices	\$ 9,077,888	\$ 726,325	\$ 8,351,564	\$ 1,161,036	\$ 8,932,082	25.00	4.00%	\$ 357,283	\$ 288,222	\$ 69,061
1840	Underground Conduit	\$ 13,192,946	\$ 6,253,571	\$ 6,939,376	\$ 1,013,377	\$ 7,446,064	25.00	4.00%	\$ 297,843	\$ 247,207	\$ 50,636
1845	Underground Conductors & Devices	\$ 2,035,571	\$ 297,546	\$ 1,738,025	\$ 404,762	\$ 1,940,406	25.00	4.00%	\$ 77,616	\$ 89,518	\$ 11,902
1850	Line Transformers	\$ 11,721,156	\$ 546,406	\$ 11,174,750	\$ 316,123	\$ 11,332,812	25.00	4.00%	\$ 453,312	\$ 475,199	\$ 21,887
1855	Services (Overhead & Underground)	\$ 8,602,786	\$ 609,566	\$ 7,993,220	\$ 581,801	\$ 8,284,121	25.00	4.00%	\$ 331,365	\$ 354,852	\$ 23,487
1860	Meters (Smart Meters)	\$ 4,017,136	\$ 309,264	\$ 3,707,873	\$ 221,645	\$ 3,818,695	25.00	4.00%	\$ 152,748	\$ 165,198	\$ 12,450
1860	Meters	\$ 287,258	\$ -	\$ 287,258	\$ -	\$ 287,258	25.00	4.00%	\$ 11,490	\$ 8,917	\$ 2,573
1905	Land	\$ 2,162,281	\$ -	\$ 2,162,281	\$ 61,343	\$ 2,192,953	15.00	6.67%	\$ 146,197	\$ 189,558	\$ 43,361
1908	Buildings & Fixtures	\$ 7,646	\$ 7,646	\$ -	\$ -	\$ -	25.00	4.00%	\$ -	\$ -	\$ -
1910	Leasehold Improvements	\$ 201,049	\$ -	\$ 201,049	\$ -	\$ 201,049	-	0.00%	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 739,631	\$ -	\$ 739,631	\$ 4,457	\$ 741,860	25.00	4.00%	\$ 29,674	\$ 29,717	\$ 43
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 308,655	\$ 196,045	\$ 112,610	\$ 5,948	\$ 115,584	10.00	10.00%	\$ 11,558	\$ 14,760	\$ 3,202
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ 515,306	\$ 263,231	\$ 252,075	\$ 143,665	\$ 323,908	5.00	20.00%	\$ 64,782	\$ 76,124	\$ 11,343
1930	Transportation Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1935	Stores Equipment	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1940	Tools, Shop & Garage Equipment	\$ 1,174,196	\$ -	\$ 1,174,196	\$ 4,702	\$ 1,171,845	7.35	13.61%	\$ 159,435	\$ 139,936	\$ 19,499
1945	Measurement & Testing Equipment	\$ 31,824	\$ 14,284	\$ 17,540	\$ 4,461	\$ 19,771	10.00	10.00%	\$ 1,977	\$ 2,264	\$ 287
1950	Power Operated Equipment	\$ 487,684	\$ 180,064	\$ 307,620	\$ 13,151	\$ 314,196	10.00	10.00%	\$ 31,420	\$ 36,773	\$ 5,353
1955	Communications Equipment	\$ 32,997	\$ 10,937	\$ 22,060	\$ 7,378	\$ 25,749	10.00	10.00%	\$ 2,575	\$ 2,856	\$ 281
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	\$ 1,407,393	\$ 132,313	\$ 1,275,080	\$ 285,490	\$ 1,417,825	15.00	6.67%	\$ 94,522	\$ 98,435	\$ 3,913
1990	Other Tangible Property	\$ -	\$ -	\$ -	\$ -	\$ -	-	0.00%	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 7,714,946	\$ 739,898	\$ 6,975,048	\$ 1,688,744	\$ 7,819,420	25.00	4.00%	\$ 312,777	\$ 343,231	\$ 30,454
	Total	\$ 54,353,342	\$ 10,566,102	\$ 43,787,240	\$ 2,583,702	\$ 45,079,091			\$ 2,132,012	\$ 2,112,987	\$ 19,025

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3

1 **Table 4–28: 2012 Depreciation Expense Appendix 2-CB Revised CGAAP (Year 1)**

**Appendix 2-CB
Depreciation and Amortization Expense
Revised CGAAP (Year 1)**

Select the set of appendices that apply		Year Reflected in Schedule Below	Accounting Standard
<input checked="" type="checkbox"/> 2012 Set of Appendices (2-CA to 2-CG)	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. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2012	Revised CGAAP
<input type="checkbox"/> 2013 Set of Appendices (2-CA to 2-CF)	Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013 and has adopted IFRS for financial reporting purposes effective January 1, 2015. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2013	Revised CGAAP

Account	Description	Opening NBV as at Jan 1 ⁵	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	Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ²	Depreciation Expense on Current Full Year Additions	Less Depreciation Expense on Assets Fully Depreciated During the Year (o)	Current Full Year Depreciation ⁶
		(a)	(d)	(i)	(f)	(g) = 1 / (f)	(j) = (a) / (i)	(h) = ((d)*0.5)/(f)	(k) = (j) + (h)		(m) = (k) - (l)	(n) = (d)/(f)		(p) = (j) + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 119,195	\$ 99,903	1.35	3.00	33.33%	\$ 88,293	\$ 16,651	\$ 104,943	\$ 103,253	\$ 1,690	\$ 33,301	\$ 55,100	\$ 66,494
1612	Land Rights (Formally known as Account 1906)	\$ 424,717	\$ -	28.56	50.00	2.00%	\$ 14,872	\$ -	\$ 14,872	\$ 14,935	\$ 63	\$ -	\$ 297	\$ 14,575
1805	Land	\$ 273,770	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1808	Buildings	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1810	Leasehold Improvements	\$ 51,752	\$ -	1.00	25.00	4.00%	\$ 51,752	\$ -	\$ 51,752	\$ 51,752	\$ -	\$ -	\$ 51,752	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 2,035,685	\$ -	22.51	40.00	2.50%	\$ 90,435	\$ -	\$ 90,435	\$ 90,740	\$ 305	\$ -	\$ -	\$ 90,435
1825	Storage Battery Equipment	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 4,791,235	\$ 1,161,036	31.00	45.00	2.22%	\$ 154,556	\$ 12,900	\$ 167,456	\$ 169,153	\$ 1,697	\$ 25,801	\$ -	\$ 180,357
1835	Overhead Conductors & Devices	\$ 5,716,025	\$ 1,013,377	36.00	60.00	1.67%	\$ 158,778	\$ 8,445	\$ 167,223	\$ 168,676	\$ 1,453	\$ 16,890	\$ -	\$ 175,668
1840	Underground Conduit	\$ 1,547,804	\$ 404,762	27.00	40.00	2.50%	\$ 57,326	\$ 5,060	\$ 62,386	\$ 61,506	\$ 880	\$ 10,119	\$ -	\$ 67,445
1845	Underground Conductors & Devices	\$ 7,382,140	\$ 316,123	31.20	40.00	2.50%	\$ 236,607	\$ 3,952	\$ 240,559	\$ 240,015	\$ 544	\$ 7,903	\$ -	\$ 244,510
1850	Line Transformers	\$ 3,014,840	\$ 581,801	25.00	40.00	2.50%	\$ 120,594	\$ 7,273	\$ 127,866	\$ 127,228	\$ 638	\$ 14,545	\$ -	\$ 135,139
1855	Services (Overhead & Underground)	\$ 2,259,956	\$ 221,645	34.00	50.00	2.00%	\$ 66,469	\$ 2,216	\$ 68,686	\$ 67,209	\$ 1,477	\$ 4,433	\$ -	\$ 70,902
1860	Meters (Smart Meters)	\$ 1,834,786	\$ 61,343	9.80	15.00	6.67%	\$ 187,223	\$ 2,045	\$ 189,268	\$ 189,558	\$ 290	\$ 4,090	\$ 13,390	\$ 177,923
1860	Meters	\$ 220,222	\$ -	19.00	25.00	4.00%	\$ 11,591	\$ -	\$ 11,591	\$ 8,917	\$ 2,674	\$ -	\$ 11,591	\$ 0
1905	Land	\$ 201,049	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 465,719	\$ 4,457	35.00	50.00	2.00%	\$ 13,306	\$ 45	\$ 13,351	\$ 11,279	\$ 2,072	\$ 89	\$ -	\$ 13,395
1910	Leasehold Improvements	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 76,007	\$ 5,948	5.00	10.00	10.00%	\$ 15,201	\$ 297	\$ 15,499	\$ 14,760	\$ 739	\$ 595	\$ -	\$ 15,796
1915	Office Furniture & Equipment (5 years)	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 115,225	\$ 143,665	1.90	5.00	20.00%	\$ 60,645	\$ 14,367	\$ 75,011	\$ 76,124	\$ 1,113	\$ 28,733	\$ 28,500	\$ 60,878
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 714,062	\$ -	5.10	5.00	20.00%	\$ 140,012	\$ -	\$ 140,012	\$ 139,936	\$ 76	\$ -	\$ -	\$ 140,012
1935	Stores Equipment	\$ 13,652	\$ 4,461	7.79	10.00	10.00%	\$ 1,754	\$ 223	\$ 1,977	\$ 2,264	\$ 287	\$ 446	\$ -	\$ 2,200
1940	Tools, Shop & Garage Equipment	\$ 299,447	\$ 13,151	8.50	10.00	10.00%	\$ 35,229	\$ 658	\$ 35,887	\$ 36,773	\$ 886	\$ 1,315	\$ -	\$ 36,544
1945	Measurement & Testing Equipment	\$ 18,771	\$ 7,378	8.51	10.00	10.00%	\$ 2,206	\$ 369	\$ 2,575	\$ 2,856	\$ 281	\$ 738	\$ -	\$ 2,944
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	\$ 618,334	\$ 285,490	7.00	15.00	6.67%	\$ 88,333	\$ 9,516	\$ 97,850	\$ 98,435	\$ 585	\$ 19,033	\$ -	\$ 107,366
1985	Miscellaneous Fixed Assets	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	\$ -	-	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 6,144,728	\$ 1,688,744	31.00	35.00	2.86%	\$ 198,217	\$ 24,125	\$ 222,342	\$ 222,877	\$ 535	\$ 48,250	\$ 10,900	\$ 235,567
	Total	\$ 26,049,665	\$ 2,635,796				\$ 1,396,965	\$ 59,890	\$ 1,456,855	\$ 1,452,492	\$ 4,363	\$ 119,780	\$ 149,730	\$ 1,367,015

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2 Table 4–29: 2013 Depreciation Expense Appendix 2-CC Revised CGAAP (Year 2)

Appendix 2-CC
Depreciation and Amortization Expense
Revised CGAAP (Year 2) - 2013 Revised CGAAP

Select the set of appendices that apply		Year Reflected in Schedule Below	Accounting Standard
<input checked="" type="checkbox"/> 2012 Set of Appendices (2-CA to 2-CG)	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. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2013	Revised CGAAP
<input type="checkbox"/> 2013 Set of Appendices (2-CA to 2-CF)	Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013 and has adopted IFRS for financial reporting purposes effective January 1, 2015. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2014	Revised CGAAP

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	Current Year Depreciation Expense ¹ (h) = Prior Full Year Depreciation + ((d)*0.5)/(f)	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (i)	Variance ² (m) = (h) - (i)	Depreciation Expense on Current Full Year Additions (n) = ((d))/(f)	Less Depreciation Expense on Assets Fully Depreciated During the Year (o)	Current Full Year Depreciation ³ (p) = Prior Full Year Depreciation + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 177,250	3.00	33.33%	\$ 96,035	\$ 95,944	\$ 91	\$ 59,083	\$ 24,600	\$ 100,977
1612	Land Rights (Formally known as Account 1906)	\$ -	50.00	2.00%	\$ 14,575	\$ 15,126	\$ -551	\$ -	\$ -	\$ 14,575
1805	Land	\$ 179,066	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1808	Buildings	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1810	Leasehold Improvements	\$ -	25.00	4.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 164,418	40.00	2.50%	\$ 92,490	\$ 85,927	\$ 6,563	\$ 4,110	\$ -	\$ 94,545
1825	Storage Battery Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 1,112,472	45.00	2.22%	\$ 192,718	\$ 196,350	\$ -3,632	\$ 24,722	\$ -	\$ 205,078
1835	Overhead Conductors & Devices	\$ 1,403,523	60.00	1.67%	\$ 187,364	\$ 188,425	\$ -1,061	\$ 23,392	\$ -	\$ 199,060
1840	Underground Conduit	\$ 20,539	40.00	2.50%	\$ 67,702	\$ 66,668	\$ 1,034	\$ 513	\$ -	\$ 67,995
1845	Underground Conductors & Devices	\$ 51,562	40.00	2.50%	\$ 245,155	\$ 243,722	\$ 1,433	\$ 1,289	\$ -	\$ 245,799
1850	Line Transformers	\$ 341,028	40.00	2.50%	\$ 139,401	\$ 136,315	\$ 3,087	\$ 8,526	\$ 4,100	\$ 139,564
1855	Services (Overhead & Underground)	\$ 228,276	50.00	2.00%	\$ 73,185	\$ 72,191	\$ 994	\$ 4,566	\$ -	\$ 75,468
1860	Meters (Smart Meters)	\$ 126,986	15.00	6.67%	\$ 182,155	\$ 182,148	\$ 7	\$ 8,466	\$ 14,100	\$ 172,288
1860	Meters	\$ -	25.00	4.00%	\$ 0	\$ -	\$ -	\$ -	\$ -	\$ 0
1905	Land	\$ 1,015,496	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 4,304	50.00	2.00%	\$ 13,438	\$ 11,324	\$ 2,114	\$ 86	\$ -	\$ 13,481
1910	Leasehold Improvements	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ -	10.00	10.00%	\$ 15,796	\$ 14,563	\$ 1,233	\$ -	\$ -	\$ 15,796
1915	Office Furniture & Equipment (5 years)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 61,164	5.00	20.00%	\$ 66,994	\$ 66,218	\$ 776	\$ 12,233	\$ 10,100	\$ 63,010
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 65,100	5.00	20.00%	\$ 146,522	\$ 144,358	\$ 2,164	\$ 13,020	\$ 13,400	\$ 139,632
1935	Stores Equipment	\$ -	10.00	10.00%	\$ 2,200	\$ 2,445	\$ -245	\$ -	\$ -	\$ 2,200
1940	Tools, Shop & Garage Equipment	\$ 8,337	10.00	10.00%	\$ 36,961	\$ 37,618	\$ -657	\$ 834	\$ -	\$ 37,378
1945	Measurement & Testing Equipment	\$ 5,794	10.00	10.00%	\$ 3,233	\$ 3,486	\$ -253	\$ 579	\$ -	\$ 3,523
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	\$ 202,625	15.00	6.67%	\$ 114,120	\$ 112,506	\$ 1,614	\$ 13,508	\$ 6,100	\$ 114,774
1985	Miscellaneous Fixed Assets	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 428,863	35.00	2.86%	\$ 241,693	\$ 243,768	\$ 2,074	\$ 12,253	\$ -	\$ 247,820
	Total	\$ 4,739,076			\$ 1,448,352	\$ 1,431,568	\$ 16,784	\$ 162,674	\$ 72,400	\$ 1,457,288

3

1 **Table 4–30: 2014 Depreciation Expense Appendix 2-CD Revised CGAAP (Year 3)**

<input checked="" type="checkbox"/> 2012 Set of Appendices (2-CA to 2-CG)	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. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2014	Revised CGAAP
<input type="checkbox"/> 2013 Set of Appendices (2-CA to 2-CF)	Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013 and has adopted IFRS for financial reporting purposes effective January 1, 2015. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2015	MIFRS

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	Current Year Depreciation Expense ¹ (h) = Prior Full Year Depreciation + ((d)*0.5)/(f)	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (i)	Variance ² (m) = (h) - (i)	Depreciation Expense on Current Full Year Additions (n)=((d)/(f))	Less Depreciation Expense on Assets Fully Depreciated During the Year (o)	Current Full Year Depreciation ³ (p) = Prior Full Year Depreciation + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 198,585	3.00	33.33%	\$ 134,074	\$ 133,981	\$ 93	\$ 66,195	\$ 28,500	\$ 138,672
1612	Land Rights (Formally known as Account 1906)	\$ -	50.00	2.00%	\$ 14,575	\$ 15,126	\$ 551	\$ -		\$ 14,575
1805	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1808	Buildings	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1810	Leasehold Improvements	\$ -	25.00	4.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1815	Transformer Station Equipment >50 kV	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1820	Distribution Station Equipment <50 kV	\$ 2,895,486	40.00	2.50%	\$ 130,739	\$ 133,797	\$ 3,058	\$ 72,387		\$ 166,932
1825	Storage Battery Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1830	Poles, Towers & Fixtures	\$ 576,011	45.00	2.22%	\$ 211,478	\$ 214,179	\$ 2,700	\$ 12,800		\$ 217,879
1835	Overhead Conductors & Devices	\$ 724,698	60.00	1.67%	\$ 205,099	\$ 206,931	\$ 1,832	\$ 12,078		\$ 211,138
1840	Underground Conduit	\$ 320,502	40.00	2.50%	\$ 71,965	\$ 70,931	\$ 1,034	\$ 8,013		\$ 75,971
1845	Underground Conductors & Devices	\$ 279,956	40.00	2.50%	\$ 249,299	\$ 247,483	\$ 1,816	\$ 6,999		\$ 252,798
1850	Line Transformers	\$ 556,533	40.00	2.50%	\$ 146,521	\$ 146,576	\$ 55	\$ 13,913		\$ 153,478
1855	Services (Overhead & Underground)	\$ 519,764	50.00	2.00%	\$ 80,665	\$ 81,169	\$ 504	\$ 10,395		\$ 85,863
1860	Meters (Smart Meters)	\$ 131,827	15.00	6.67%	\$ 176,683	\$ 176,032	\$ 651	\$ 8,788	\$ 6,100	\$ 174,977
1860	Meters	\$ -	25.00	4.00%	\$ 0	\$ -	\$ 0	\$ -		\$ 0
1905	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1908	Buildings & Fixtures	\$ -	50.00	2.00%	\$ 13,481	\$ 11,367	\$ 2,114	\$ -		\$ 13,481
1910	Leasehold Improvements	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1915	Office Furniture & Equipment (10 years)	\$ -	10.00	10.00%	\$ 15,796	\$ 14,034	\$ 1,762	\$ -		\$ 15,796
1915	Office Furniture & Equipment (5 years)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1920	Computer Equipment - Hardware	\$ 80,063	5.00	20.00%	\$ 71,017	\$ 70,671	\$ 346	\$ 16,013	\$ 11,300	\$ 67,723
1920	Computer Equip.-Hardware(Post Mar. 22/04)		-	0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)		-	0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1930	Transportation Equipment	\$ 3,268	5.00	20.00%	\$ 139,959	\$ 139,931	\$ 28	\$ 654	\$ 23,400	\$ 116,886
1935	Stores Equipment	\$ 4,788	10.00	10.00%	\$ 2,439	\$ 2,589	\$ 150	\$ 479		\$ 2,678
1940	Tools, Shop & Garage Equipment	\$ 17,553	10.00	10.00%	\$ 38,255	\$ 38,486	\$ 230	\$ 1,755		\$ 39,133
1945	Measurement & Testing Equipment	\$ 4,067	10.00	10.00%	\$ 3,726	\$ 3,979	\$ 253	\$ 407		\$ 3,930
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	\$ 125,462	15.00	6.67%	\$ 118,957	\$ 118,906	\$ 50	\$ 8,364	\$ 8,600	\$ 114,539
1985	Miscellaneous Fixed Assets	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1990	Other Tangible Property	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -		\$ -
1995	Contributions & Grants	\$ 1,416,471	35.00	2.86%	\$ 268,055	\$ 268,852	\$ 796	\$ 40,471	\$ 7,300	\$ 280,991
	Total	\$ 5,022,091			\$ 1,556,673	\$ 1,557,316	\$ 643	\$ 198,770	\$ 70,600	\$ 1,585,458

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

Total Depreciation Expense

\$ 1,556,673

1 **Table 4–31: 2015 Depreciation Expense Appendix 2-CE MIFRS (Year 4)**

<input checked="" type="checkbox"/> 2012 Set of Appendices (2-CA to 2-CG)	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. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2015	MIFRS
<input type="checkbox"/> 2013 Set of Appendices (2-CA to 2-CF)	Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013 and has adopted IFRS for financial reporting purposes effective January 1, 2015. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2016	MIFRS

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	Current Year Depreciation Expense ¹ (h)=Prior Full Year Depreciation + ((d)*0.5)/(f)	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ² (m) = (h) - (l)	Depreciation Expense on Current Full Year Additions (n)=((d)/(f))	Less Depreciation Expense on Assets Fully Depreciated During the Year (o)	Current Full Year Depreciation ³ (p) = Prior Full Year Depreciation + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 185,053	3.00	33.33%	\$ 169,514	\$ 169,499	\$ 15	\$ 61,684	\$ 60,100	\$ 140,256
1612	Land Rights (Formally known as Account 1906)	\$ -	50.00	2.00%	\$ 14,575	\$ 12,699	\$ 1,876	\$ -	\$ -	\$ 14,575
1805	Land	\$ 77,556	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1808	Buildings	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1810	Leasehold Improvements	\$ -	25.00	4.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 779,993	25.00	4.00%	\$ 182,532	\$ 191,509	\$ 8,977	\$ 31,200	\$ -	\$ 198,132
1825	Storage Battery Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 1,533,272	45.00	2.22%	\$ 234,915	\$ 237,728	\$ 2,813	\$ 34,073	\$ -	\$ 251,951
1835	Overhead Conductors & Devices	\$ 1,390,592	60.00	1.67%	\$ 222,727	\$ 225,949	\$ 3,222	\$ 23,177	\$ -	\$ 234,315
1840	Underground Conduit	\$ 546,399	40.00	2.50%	\$ 82,801	\$ 81,467	\$ 1,334	\$ 13,660	\$ -	\$ 89,631
1845	Underground Conductors & Devices	\$ 283,406	40.00	2.50%	\$ 256,341	\$ 254,303	\$ 2,038	\$ 7,085	\$ -	\$ 259,883
1850	Line Transformers	\$ 999,677	40.00	2.50%	\$ 165,974	\$ 164,241	\$ 1,733	\$ 24,992	\$ -	\$ 178,470
1855	Services (Overhead & Underground)	\$ 479,966	50.00	2.00%	\$ 90,663	\$ 93,028	\$ 2,365	\$ 9,599	\$ -	\$ 95,462
1860	Meters	\$ 113,146	15.00	6.67%	\$ 178,748	\$ 178,804	\$ 56	\$ 7,543	\$ -	\$ 182,520
1860	Meters (Smart Meters)	\$ -	25.00	4.00%	\$ 0	\$ -	\$ 0	\$ -	\$ -	\$ 0
1905	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 12,430,510	47.00	2.13%	\$ 145,721	\$ 145,132	\$ 589	\$ 264,479	\$ 10,100	\$ 267,860
1910	Leasehold Improvements	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 154,231	10.00	10.00%	\$ 23,508	\$ 19,569	\$ 3,939	\$ 15,423	\$ -	\$ 31,219
1915	Office Furniture & Equipment (5 years)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 149,497	5.00	20.00%	\$ 82,673	\$ 82,659	\$ 14	\$ 29,899	\$ -	\$ 97,623
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 33,347	5.00	20.00%	\$ 120,220	\$ 120,051	\$ 169	\$ 6,669	\$ -	\$ 123,555
1935	Stores Equipment	\$ 117,204	10.00	10.00%	\$ 8,539	\$ 8,603	\$ 64	\$ 11,720	\$ -	\$ 14,399
1940	Tools, Shop & Garage Equipment	\$ 41,581	10.00	10.00%	\$ 41,212	\$ 41,285	\$ 73	\$ 4,158	\$ -	\$ 43,291
1945	Measurement & Testing Equipment	\$ -	10.00	10.00%	\$ 3,930	\$ 4,161	\$ 231	\$ -	\$ -	\$ 3,930
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	\$ 569,196	15.00	6.67%	\$ 133,512	\$ 133,510	\$ 2	\$ 37,946	\$ -	\$ 152,485
1985	Miscellaneous Fixed Assets	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 2,267,837	35.00	2.86%	\$ 313,388	\$ 313,336	\$ 52	\$ 64,795	\$ -	\$ 345,786
	Total	\$ 17,616,789			\$ 1,844,715	\$ 1,850,861	\$ 6,146	\$ 518,513	\$ 70,200	\$ 2,033,771

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

\$ 1,844,715

2 Notes:

1 **Table 4–32: 2016 Depreciation Expense Appendix 2-CF MIFRS (Year 5)**

Select the set of appendices that apply		Year Reflected in Schedule Below	Accounting Standard
<input checked="" type="checkbox"/> 2012 Set of Appendices (2-CA to 2-CG)	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. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2016	MIFRS
<input type="checkbox"/> 2013 Set of Appendices (2-CA to 2-CF)	Assumes the applicant made capitalization and depreciation expense accounting policy changes under CGAAP effective January 1, 2013 and has adopted IFRS for financial reporting purposes effective January 1, 2015.	2017	MIFRS

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	Current Depreciation Expense ¹ (h) = Prior Full Year Depreciation + ((d)*0.5)/(f)	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ² (m) = (h) - (l)	Depreciation Expense on Current Full Year Additions (n) = ((d))/(f)	Less Depreciation Expense on Assets Fully Depreciated During the Year (o)	Current Full Year Depreciation ³ (p) = Prior Full Year Depreciation + (n) - (o)
1611	Computer Software (Formally known as Account 1925)	\$ 358,500	3.00	33.33%	\$ 200,006	\$ 199,988	\$ 18	\$ 119,500	\$ 30,000	\$ 229,756
1612	Land Rights (Formally known as Account 1906)	\$ -	50.00	2.00%	\$ 14,575	\$ 12,699	\$ 1,876	\$ -	\$ -	\$ 14,575
1805	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1808	Buildings	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1810	Leasehold Improvements	\$ -	25.00	4.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 2,008,854	40.00	2.50%	\$ 223,243	\$ 226,179	\$ 2,936	\$ 50,221	\$ -	\$ 248,353
1825	Storage Battery Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 1,245,717	40.00	2.50%	\$ 267,523	\$ 258,789	\$ 8,734	\$ 31,143	\$ -	\$ 283,094
1835	Overhead Conductors & Devices	\$ 1,111,002	60.00	1.67%	\$ 243,573	\$ 239,830	\$ 3,743	\$ 18,517	\$ -	\$ 252,832
1840	Underground Conduit	\$ 1,282,396	40.00	2.50%	\$ 105,661	\$ 104,329	\$ 1,332	\$ 32,060	\$ -	\$ 121,691
1845	Underground Conductors & Devices	\$ 613,881	40.00	2.50%	\$ 267,557	\$ 265,603	\$ 1,954	\$ 15,347	\$ -	\$ 275,230
1850	Line Transformers	\$ 1,818,685	40.00	2.50%	\$ 201,203	\$ 198,415	\$ 2,789	\$ 45,467	\$ -	\$ 223,937
1855	Services (Overhead & Underground)	\$ 983,373	50.00	2.00%	\$ 105,296	\$ 107,846	\$ 2,550	\$ 19,667	\$ -	\$ 115,130
1860	Meters	\$ 168,055	15.00	6.67%	\$ 188,122	\$ 188,147	\$ 26	\$ 11,204	\$ -	\$ 193,723
1860	Meters (Smart Meters)	\$ -	25.00	4.00%	\$ 0	\$ -	\$ 0	\$ -	\$ -	\$ 0
1905	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 15,000	50.00	2.00%	\$ 268,010	\$ 268,987	\$ 977	\$ 300	\$ -	\$ 268,160
1910	Leasehold Improvements	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ -	10.00	10.00%	\$ 31,219	\$ 28,031	\$ 3,188	\$ -	\$ -	\$ 31,219
1915	Office Furniture & Equipment (5 years)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 130,000	5.00	20.00%	\$ 110,623	\$ 110,609	\$ 13	\$ 26,000	\$ -	\$ 123,623
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ -	5.00	20.00%	\$ 123,555	\$ 123,385	\$ 170	\$ -	\$ -	\$ 123,555
1935	Stores Equipment	\$ 5,000	10.00	10.00%	\$ 14,649	\$ 14,713	\$ 64	\$ 500	\$ -	\$ 14,899
1940	Tools, Shop & Garage Equipment	\$ 38,000	10.00	10.00%	\$ 45,191	\$ 45,264	\$ 73	\$ 3,800	\$ -	\$ 47,091
1945	Measurement & Testing Equipment	\$ 15,000	10.00	10.00%	\$ 4,680	\$ 4,911	\$ 232	\$ 1,500	\$ -	\$ 5,430
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	\$ 84,002	15.00	6.67%	\$ 155,285	\$ 155,283	\$ 2	\$ 5,600	\$ -	\$ 158,085
1985	Miscellaneous Fixed Assets	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	-	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 4,227,692	35.00	2.86%	\$ 406,182	\$ 421,162	\$ 14,980	\$ 120,791	\$ 14,700	\$ 451,877
Total		\$ 5,649,773			\$ 2,163,789	\$ 2,131,846	\$ 31,943	\$ 260,035	\$ 15,300	\$ 2,278,506
Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets)										
Total Depreciation Expense					\$ 2,163,789					

2

Notes:

1 Table 4–33: 2017 Depreciation Expense Appendix 2-CG MIFRS (Year 6)

Select the set of appendices that apply		Year Reflected in Schedule Below	Accounting Standard
<input checked="" type="checkbox"/> 2012 Set of Appendices (2-CA to 2-CG)	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. Assumes that the applicant is reflecting these changes in a rebasing application for the first time.	2017	MIFRS
N/A 2013 Set of Appendices	Not applicable as the test year depreciation is already calculated in Appendix 2-CF. Note that this appendix is not to be used even though depreciation expense calculations will flow through from previous years to this appendix.	N/A	N/A

Account	Description	Additions (d)	Years (new additions only) (f)	Depreciation Rate on New Additions (g) = 1 / (f)	Current Depreciation Expense ¹ (h) = Prior Full Year Depreciation + (d)*0.5/(f)	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J (l)	Variance ² (m) = (h) - (l)
1611	Computer Software (Formally known as Account 1925)	\$ 339,325	3.00	33.33%	\$ 286,310	\$ 286,493	\$ -183
1612	Land Rights (Formally known as Account 1906)	\$ -	50.00	2.00%	\$ 14,575	\$ 12,699	\$ 1,876
1805	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -
1808	Buildings	\$ -	-	0.00%	\$ -	\$ -	\$ -
1810	Leasehold Improvements	\$ -	25.00	4.00%	\$ -	\$ -	\$ -
1815	Transformer Station Equipment >50 kV	\$ -	-	0.00%	\$ -	\$ -	\$ -
1820	Distribution Station Equipment <50 kV	\$ 325,114	40.00	2.50%	\$ 252,417	\$ 255,544	\$ -3,127
1825	Storage Battery Equipment	\$ -	-	0.00%	\$ -	\$ -	\$ -
1830	Poles, Towers & Fixtures	\$ 2,921,679	45.00	2.22%	\$ 315,557	\$ 299,804	\$ 15,754
1835	Overhead Conductors & Devices	\$ 2,266,734	60.00	1.67%	\$ 271,721	\$ 263,900	\$ 7,822
1840	Underground Conduit	\$ 221,375	40.00	2.50%	\$ 124,458	\$ 123,124	\$ 1,334
1845	Underground Conductors & Devices	\$ 133,681	40.00	2.50%	\$ 276,901	\$ 274,863	\$ 2,038
1850	Line Transformers	\$ 746,731	40.00	2.50%	\$ 233,271	\$ 230,096	\$ 3,175
1855	Services (Overhead & Underground)	\$ 505,121	50.00	2.00%	\$ 120,181	\$ 125,788	\$ -5,607
1860	Meters	\$ 250,632	15.00	6.67%	\$ 202,078	\$ 202,134	\$ -56
1860	Meters (Smart Meters)	\$ -	25.00	4.00%	\$ 0	\$ -	\$ 0
1905	Land	\$ -	-	0.00%	\$ -	\$ -	\$ -
1908	Buildings & Fixtures	\$ 15,000	50.00	2.00%	\$ 268,310	\$ 269,587	\$ -1,277
1910	Leasehold Improvements	\$ -	-	0.00%	\$ -	\$ -	\$ -
1915	Office Furniture & Equipment (10 years)	\$ 15,000	10.00	10.00%	\$ 31,969	\$ 29,531	\$ 2,438
1915	Office Furniture & Equipment (5 years)	\$ -	-	0.00%	\$ -	\$ -	\$ -
1920	Computer Equipment - Hardware	\$ 165,000	5.00	20.00%	\$ 140,123	\$ 140,109	\$ 13
1920	Computer Equip.-Hardware(Post Mar. 22/04)	\$ -	-	0.00%	\$ -	\$ -	\$ -
1920	Computer Equip.-Hardware(Post Mar. 19/07)	\$ -	-	0.00%	\$ -	\$ -	\$ -
1930	Transportation Equipment	\$ 505,500	5.00	20.00%	\$ 174,105	\$ 173,935	\$ 170
1935	Stores Equipment	\$ 5,250	10.00	10.00%	\$ 15,161	\$ 15,225	\$ -64
1940	Tools, Shop & Garage Equipment	\$ 39,900	10.00	10.00%	\$ 49,086	\$ 49,159	\$ -73
1945	Measurement & Testing Equipment	\$ 69,760	10.00	10.00%	\$ 8,918	\$ 9,149	\$ -232
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	\$ 32,400	15.00	6.67%	\$ 159,165	\$ 159,163	\$ 2
1985	Miscellaneous Fixed Assets	\$ -	-	0.00%	\$ -	\$ -	\$ -
1990	Other Tangible Property	\$ -	-	0.00%	\$ -	\$ -	\$ -
1995	Contributions & Grants	\$ 1,869,254	35.00	2.86%	\$ 478,581	\$ 522,116	\$ -43,535
	Total	\$ 6,688,948			\$ 2,465,727	\$ 2,398,188	\$ 67,539
	Depreciation exp. adj. from gain or loss on the retirement of assets (pool of like assets)						
	Total Depreciation Expense				\$ 2,465,727		

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, InnPower Corporation completed the change of useful lives in our last COS Application (EB-2012-0139).

InnPower Corporation retained BDO Dunwoody, LLP to provide assistance in the transition of financial records from CGAAP to IFRS which included the assignment of useful lives to the asset base.

Table 4-34: Service Life Comparison presented on the next page identifies the useful lives that were implemented by InnPower Corporation.

Identification of Asset Retirement Obligations (AROs)

InnPower Corporation confirms that it does not have any AROs.

1 Table 4-34: Service Life Comparison Appendix 2-BB

USoA Account Number	USoA Account Description	Current		Proposed		Outside Range of Min, Max TUL?	
		Years	Rate	Years	Rate	Below Min TUL	Above Max TUL
1830	Poles, Towers and Fixtures	40	2.5%	40	3%	No	No
1830	Poles, Towers and Fixtures	40	2.5%	40	3%	No	No
1830	Poles, Towers and Fixtures	40	2.5%	40	3%	No	No
1830	Poles, Towers and Fixtures	40	2.5%	40	3%	Yes	No
1830	Poles, Towers and Fixtures	40	2.5%	40	3%	No	No
1830	Poles, Towers and Fixtures	40	2.5%	40	3%	No	No
N/A							
N/A							
N/A							
1835	Overhead Conductors & Devices	40	2.5%	40	3%	No	No
1835	Overhead Conductors & Devices	20	5.0%	20	5%	No	No
1835	Overhead Conductors & Devices	20	5.0%	20	5%	No	No
1835	Overhead Conductors & Devices	40	2.5%	40	3%	No	No
1835	Overhead Conductors & Devices	60	1.7%	60	2%	No	No
1850	Line Transformers	40	2.5%	40	3%	No	No
N/A							
N/A							
1850	Line Transformers	40	2.5%	40	3%	No	No
1820	Distribution Station Equipment	20	5.0%	20	5%	No	Yes
1820	Distribution Station Equipment	20	5.0%	20	5%	No	No
1820	Distribution Station Equipment	40	2.5%	40	3%	No	No
1820	Distribution Station Equipment	30	3.3%	30	3%	No	No
N/A							
1845	Underground Conductors & Devices	40	2.5%	40	3%	No	Yes
1845	Underground Conductors & Devices	40	2.5%	40	3%	No	Yes
1845	Underground Conductors & Devices	40	2.5%	40	3%	No	Yes
N/A						No	Yes
1855	Service	40	2.5%	40	3%	No	No
1855	Service						
N/A						No	Yes
N/A						No	Yes
1850	Line Transformers	40	2.5%	40	3%	No	No
1850	Line Transformers	40	2.5%	40	3%	No	No
1840	Underground Conduit	60	1.7%	60	2%	No	No
N/A							
N/A							
1845	Underground Conductors & Devices	30	3.3%	30	3%	No	No
1845	Underground Conductors & Devices	30	3.3%	30	3%	No	No
1840	Underground Conduit	60	1.7%	60	2%	No	No
1840	Underground Conduit	60	1.7%	60	2%	No	No
1840	Underground Conduit	60	1.7%	60	2%	No	No

2
3
4

Table 4-35: Service Life Comparison Appendix 2-BB (continued)

USoA Account Number	USoA Account Description	Current		Proposed		Outside Range of Min, Max TUL?	
		Years	Rate	Years	Rate	Below Min Range	Above Max Range
1915	Office Furniture & Equipment	10	10%	10	10%	No	No
1930	Transportation Equipment	15	7%	15	7%	No	No
1930	Transportation Equipment	20	5%	20	5%	No	No
1930	Transportation Equipment	12	8%	12	8%	No	Yes
200/201	Building & Fixtures	May-50	0%	May-50	0%	No	Yes
N/A		0		0			
1808	Building & Fixtures	50	2%	50	2%	No	No
1808	Building & Fixtures	30	3%	30	3%	No	No
1808	Building & Fixtures	25	4%	25	4%	No	No
1808	Building & Fixtures	20	5%	20	5%	No	No
1920	Computer Equipment - Hardware	5	20%	5	20%	No	No
1925	Computer Equipment - Software	5	20%	5	20%	No	No
N/A							
1935	Stores Equipment	10	10%	10	10%	No	No
1940	Tools, Shops Garage Equipment	10	10%	10	10%	No	No
1945	Measurement and Testing Equipment	10	10%	10	10%	No	No
1955	Communication Equipment	10	10%	10	10%	Yes	No
1955	Communication Equipment	10	10%	10	10%	No	No
1860	Meters	15	7%	15	7%	Yes	No
1860	Meters	20	5%	20	5%	Yes	No
N/A							
1860	Meters	45	2%	45	2%	No	No
1860	Meters	15	7%	15	7%	No	No
1915	Office Furniture & Equipment	5	20%	5	20%	Yes	No
1915	Office Furniture & Equipment	5	20%	5	20%	Yes	No

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

Tax Calculations

InnPower Corporation is subject to the payment of PILs under Section 93 of the *Electricity Act*, 1998, as amended. The Applicant does not pay Section 89 proxy taxes, and is exempt from the payment of income and capital taxes under the *Income Tax Act (Canada)* and the *Ontario Corporations Tax Act*. A copy of the 2014 Federal T2 and Ontario C23 tax return has been provided in Appendix H.

PILS for the 2017 Test Year

The 2017 Test Year's PILs have been calculated at \$140,584. The details of the calculations are in the Income Tax/PILs Work Form in Appendix G.

The 2017 Test Year PILs have been determined by applying substantively enacted 2017 tax rates against Taxable Income. The 2017 Taxable Income amount has been determined by taking Utility Income before Taxes and applying Schedule 1 corporate tax adjustments to this number.

Utility Income before Taxes

This is calculated based on the 2017 expected total revenues less the 2017 expected cost and expenses. The Utility income before taxes in 2017 is \$2,117,040. The details of this calculation are found in the Revenue Deficiency in Exhibit 6, Section 2.6.2 Gross Deficiency or Sufficiency in Revenue.

Table 4-36: PILS Tax Provision – Test Year

PILs Tax Provision - Test Year

				Wires Only	
Regulatory Taxable Income				T1	\$ 389,867 A
Combined Tax Rate and PILs	Ontario Tax Rate (Maximum 11.5%)	11.50%	B		
	Federal tax rate (Maximum 15%)	15.00%	C		
	Combined tax rate (Maximum 26.5%)				26.50% D = B + C
Total Income Taxes					\$ 103,315 E = A * D
Investment Tax Credits					F
Miscellaneous Tax Credits					G
Total Tax Credits					\$ - H = F + G
Corporate PILs/Income Tax Provision for Test Year					\$ 103,315 I = H + E
Corporate PILs/Income Tax Provision Gross Up ¹		73.50%	J		\$ 37,249 K = J * I
Income Tax (grossed-up)					\$ 140,564 L = K + I

Note:

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

Capital Cost Allowance

InnPower Corporation is providing Capital Cost Allowance continuity schedules for the 2016 Bridge Year (Table 4-37) and the 2017 Test Year (Table 4-38) as follows:

1 Table 4-37: 2016 Bridge Year Capital Cost Allowance

Schedule 8 CCA - Bridge Year

Class	Class Description	Working Paper Reference	UCC Regulated Historical Year	Additions	Disposals (Negative)	UCC Before 1/2 Yr Adjustment	1/2 Year Rule (1/2 Additions Less Disposals)	Reduced UCC	Rate %	Bridge Year CCA		UCC End of Bridge Year
1	Distribution System - post 1987	H8	\$ 23,360,063			\$ 23,360,063	\$ -	\$ 23,360,063	4%	\$ 934,403		\$ 22,425,660
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	H8				\$ -	\$ -	\$ -	6%	\$ -		\$ -
2	Distribution System - pre 1988	H8				\$ -	\$ -	\$ -	6%	\$ -		\$ -
8	General Office/Stores Equip	H8	\$ 1,520,965	\$ 73,000		\$ 1,593,965	\$ 36,500	\$ 1,557,465	20%	\$ 311,493		\$ 1,282,471
10	Computer Hardware/ Vehicles	H8	\$ 219,709	\$ 130,000		\$ 349,709	\$ 65,000	\$ 284,709	30%	\$ 85,413		\$ 264,296
10.1	Certain Automobiles	H8				\$ -	\$ -	\$ -	30%	\$ -		\$ -
12	Computer Software	H8		\$ 358,500		\$ 358,500	\$ 179,250	\$ 179,250	100%	\$ 179,250		\$ 179,250
13 1	Lease # 1	H8				\$ -	\$ -	\$ -		\$ -		\$ -
13 2	Lease #2	H8				\$ -	\$ -	\$ -		\$ -		\$ -
13 3	Lease # 3	H8				\$ -	\$ -	\$ -		\$ -		\$ -
13 4	Lease # 4	H8				\$ -	\$ -	\$ -		\$ -		\$ -
14	Franchise	H8				\$ -	\$ -	\$ -		\$ -		\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than Bldgs	H8				\$ -	\$ -	\$ -	8%	\$ -		\$ -
42	Fibre Optic Cable	H8				\$ -	\$ -	\$ -	12%	\$ -		\$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment	H8				\$ -	\$ -	\$ -	30%	\$ -		\$ -
43.2	Certain Clean Energy Generation Equipment	H8				\$ -	\$ -	\$ -	50%	\$ -		\$ -
45	Computers & Systems Software acq'd post Mar 22/04	H8	\$ 512			\$ 512	\$ -	\$ 512	45%	\$ 230		\$ 282
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	H8				\$ -	\$ -	\$ -	30%	\$ -		\$ -
47	Distribution System - post February 2005	H8	\$ 22,229,345	\$ 3,925,293	\$ 167,300	\$ 26,321,938	\$ 2,046,297	\$ 24,275,642	8%	\$ 1,942,051		\$ 24,379,887
50	Data Network Infrastructure Equipment - post Mar 2007	H8	\$ 381,298			\$ 381,298	\$ -	\$ 381,298	55%	\$ 209,714		\$ 171,584
52	Computer Hardware and system software	H8				\$ -	\$ -	\$ -	100%	\$ -		\$ -
95	CWIP	H8	\$ 797,726			\$ 797,726	\$ -	\$ 797,726		\$ -		\$ 797,726
						\$ -	\$ -	\$ -	5%	\$ -		\$ -
						\$ -	\$ -	\$ -	10%	\$ -		\$ -
						\$ -	\$ -	\$ -		\$ -		\$ -
						\$ -	\$ -	\$ -		\$ -		\$ -
						\$ -	\$ -	\$ -		\$ -		\$ -
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						\$ -	\$ -	\$ -		\$ -		\$ -
						\$ -	\$ -	\$ -		\$ -		\$ -
						\$ -	\$ -	\$ -		\$ -		\$ -
						\$ -	\$ -	\$ -		\$ -		\$ -
						\$ -	\$ -	\$ -		\$ -		\$ -
						\$ -	\$ -	\$ -		\$ -		\$ -
	TOTAL		\$ 48,509,618	\$ 4,486,793	\$ 167,300	\$ 53,163,711	\$ 2,327,047	\$ 50,836,665		\$ 3,662,554	B1	\$ 49,501,158

1 **Table 4-37A: Cumulative Eligible Capital 2016 Bridge Year**
Schedule 10 CEC - Bridge Year

Cumulative Eligible Capital		Reference	
		H10	234,871
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
Amount transferred on amalgamation or wind-up of subsidiary	0		0
Subtotal			234,871
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			234,871
Current Year Deduction	234,871	x 7% =	16,441
Cumulative Eligible Capital - Closing Balance			218,430

2

1 Table 4-38: 2017 Test Year Capital Cost Allowance

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 Additions Less Disposals)	Reduced UCC	Rate %	Test Year CCA	UCC End of Test Year
1	Distribution System - post 1987	B8	\$ 22,425,660			\$ 22,425,660	\$ -	\$ 22,425,660	4%	\$ 897,026	\$ 21,528,634
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	B8	\$ -			\$ -	\$ -	\$ -	6%	\$ -	\$ -
2	Distribution System - pre 1988	B8	\$ -			\$ -	\$ -	\$ -	6%	\$ -	\$ -
8	General Office/Stores Equip	B8	\$ 1,282,472	129,910		\$ 1,412,382	\$ 64,955	\$ 1,347,427	20%	\$ 269,485	\$ 1,142,897
10	Computer Hardware/ Vehicles	B8	\$ 264,296	670,500		\$ 934,796	\$ 335,250	\$ 599,546	30%	\$ 179,864	\$ 754,932
10.1	Certain Automobiles	B8	\$ -			\$ -	\$ -	\$ -	30%	\$ -	\$ -
12	Computer Software	B8	\$ 179,250	339,325		\$ 518,575	\$ 169,663	\$ 348,913	100%	\$ 348,913	\$ 169,663
13 1	Lease # 1	B8	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
13 2	Lease #2	B8	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
13 3	Lease # 3	B8	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
13 4	Lease # 4	B8	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
14	Franchise	B8	\$ -			\$ -	\$ -	\$ -		\$ -	\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than B	B8	\$ -			\$ -	\$ -	\$ -	8%	\$ -	\$ -
42	Fibre Optic Cable	B8	\$ -			\$ -	\$ -	\$ -	12%	\$ -	\$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment	B8	\$ -			\$ -	\$ -	\$ -	30%	\$ -	\$ -
43.2	Certain Clean Energy Generation Equipment	B8	\$ -			\$ -	\$ -	\$ -	50%	\$ -	\$ -
45	Computers & Systems Software acq'd post Mar 22/04	B8	\$ 282			\$ 282	\$ -	\$ 282	45%	\$ 127	\$ 155
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	B8	\$ -			\$ -	\$ -	\$ -	30%	\$ -	\$ -
47	Distribution System - post February 2005	B8	\$ 24,379,887	5,549,213	184,030	\$ 30,113,130	\$ 2,866,622	\$ 27,246,509	8%	\$ 2,179,721	\$ 27,933,409
50	Data Network Infrastructure Equipment - post Mar 2007	B8	\$ 171,584			\$ 171,584	\$ -	\$ 171,584	55%	\$ 94,371	\$ 77,213
52	Computer Hardware and system software	B8	\$ -			\$ -	\$ -	\$ -	100%	\$ -	\$ -
95	CWIP	B8	\$ 797,726			\$ 797,726	\$ -	\$ 797,726	0%	\$ -	\$ 797,726
			\$ -			\$ -	\$ -	\$ -	5%	\$ -	\$ -
			\$ -			\$ -	\$ -	\$ -	10%	\$ -	\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -	\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -	\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -	\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -	\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -	\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -	\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -	\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -	\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -	\$ -
	TOTAL		\$ 49,501,158	\$ 6,688,948	\$ 184,030	\$ 56,374,136	\$ 3,436,489	\$ 52,937,647		\$ 3,969,507	T1 \$ 52,404,629

Table 4-38A: Cumulative Eligible Capital 2017 Bridge Year

Schedule 10 CEC - Test Year

Cumulative Eligible Capital

[B10](#) **218,430**

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	0
Amount transferred on amalgamation or wind-up of subsidiary	0			0
Subtotal				218,430

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 **218,430**

Current Year Deduction (Carry Forward to Tab "Test Year Taxable Income") **218,430** **x 7% =** **15,290** [T1](#)

Cumulative Eligible Capital - Closing Balance **203,140**

2.4.5.1 Non-recoverable and Disallowed Expenses

InnPower Corporation 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.

2.4.5.2 Integrity Checks

InnPower Corporation confirms the following:

- The depreciation and amortization added back in the application's PILs model agree with the numbers disclosed in the rate base section of the application;
- The capital additions and deductions in the UCC/ CCA Schedule 8 agree with the rate base section for historical, bridge and test years;
- The opening Bridge Year UCC at January 1st is based on an estimate of the closing December 31st historical year UCC. The reason for this is that the federal T2 tax return for the historical year will not be prepared or filed until after the application has been submitted. InnPower Corporation confirms that the opening historical year UCC at January 1st agrees with the closing December 31st UCC for the most recent federal T2 tax return file (2014);
- The CCA deductions in the application's PILs tax model for historical, bridge and test years agree with the numbers in the UCC schedules for the same years filed in the application;
- InnPower Corporation Hydro does not have any tax loss carry-forwards;
- Accounting OPEB and pension amounts added back on Schedule 1 to reconcile accounting income to net income for tax purposes, must agree with the OM&A analysis for compensation; and
- The income tax rate used to calculate the tax expense are consistent with InnPower Corporation's actual tax facts and evidence as filed in this proceeding.

2.4.6 Conservation and Demand Management

CDM Overview

InnPower Corporation filed its CDM Plan with IESO for the Conservation First Framework (“CFF”) for the timeframe of 2015 – 2020 in May of 2015. The plan received approval in July 2015 to achieve a target of 13 GWh. InnPower Corporation’s approved plan is reflected in InnPower Corporation’s load forecast by rate class in Exhibit 3.

InnPower Corporation began delivering IESO CDM programs in 2011 in order to meet the mandated targets for the previous CDM timeframe of 2011 – 2014. InnPower Corporation achieved 7.8 GWh Net Cumulative Energy Savings towards our target of 9.2 GWh or 84.4% of the assigned Energy Savings target. This was achieved by leveraging the IESO suite of Province Wide Programs primarily designed for the residential and small commercial classes of customers.

IESO provides funding for InnPower Corporation’s CDM programs. InnPower Corporation’s funding was based on IESO’s assigned target and totals \$3,680,241 for the 2015 – 2020 timeframe. The following table breakdowns InnPower Corporation’s allocated budget and target by year.

Table 4.39: InnPower Corporation CFF CDM Funding/Target Summary

	2015-2020 Annual Actuals Vs. Forecast						
	2015	2016	2017	2018	2019	2020	2015-2020
Forecast \$	\$0	\$851,157	\$471,513	\$739,256	\$776,247	\$842,068	\$3,680,241
Actual	\$0	\$72,451	\$0	\$0	\$0	\$0	\$72,451
Forecast Savings	1,570	3,158	1,230	2,188	2,328	2,535	13,010
Savings	506.42	374.71	-	-	-	-	881.13

Funding and expenditures for the delivery of IESO 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.

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

5
6 InnPower Corporation will not be applying for any OM&A costs related to the administration and
7 delivery of CDM programs to be recovered through the revenue requirement.

8
9 **2.4.6.1 Lost Revenue Adjustment Mechanism**

10 On March 31, 2010, the Minister of Energy and Infrastructure issued a directive (the "Directive")
11 to the Board regarding electricity CDM targets to be met by licensed electricity distributors. The
12 Directive required that the Board amend the licenses of distributors to add, as a condition of
13 license, the requirement for distributors to achieve reductions in electricity demand through the
14 delivery of CDM programs over a four-year period beginning January 1, 2011. Section 12 of the
15 Directive required that the Board have regard to the objective that lost revenues that result from
16 CDM Programs should not act as a disincentive to a distributor. On April 26, 2012, the Board
17 issued Guidelines for Electricity Distributor Conservation and Demand Management ("CDM
18 Guidelines"). In keeping with the Directive, the Board adopted a mechanism to capture the
19 difference between the results of actual, verified impacts of authorized CDM activities
20 undertaken by distributors between 2011 and 2014 and the level of activities embedded into
21 rates through the distributors load forecast in an LRAM variance account.

22
23 InnPower Corporation confirms that it is not requesting recovery of lost revenue resulting from
24 any pre-2011 CDM activities or legacy programs.

25
26 **2.4.6.2 LRAM Variance (LRAMVA)**

27 InnPower Corporation calculates that its LRAMVA balance in need of disposition is \$25,013.09
28 plus applicable actual carrying charges of \$1,139.49 totaling \$26,152.58. InnPower Corporation
29 has utilized the CHEC LRAM/VA model, which is consistent with the Wasaga Beach EB-2015-
30 0107 COS application.

31
32 The following table identifies the LRAM calculation by rate class for the 2011 – 2014 timeframe.
33 All calculations were based on annual IESO final results. InnPower Corporation has provided a
34 copy of the IESO 2011-2014 Final Results Report in Appendix D.

1 **Table 4:40: Summary of Requested LRAM Amounts**

Table 1 - LRAMVA register 

Verified results updated **2014**

Description	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	Total
2011 CDM Forecast	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00
2011 Verified	7,645.77	1,264.86	-	-	-	-	\$8,910.63
2011 Cleared	-	-	-	-	-	-	\$0.00
2011 LRAM variance	7,645.77	1,264.86	-	-	-	-	\$8,910.63
Cummulative LRAM variance	7,645.77	1,264.86	-	-	-	-	\$8,910.63
2011 Carrying Charges	112.39	18.59	-	-	-	-	\$130.99
Cummulative carrying charges	112.39	18.59	-	-	-	-	\$130.99
2012 CDM Forecast	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$0.00
2012 Verified	13,289.63	2,380.84	1,053.68	-	-	-	\$16,724.15
2012 Cleared	-	-	-	-	-	-	\$0.00
2012 LRAM variance	13,289.63	2,380.84	1,053.68	-	-	-	\$16,724.15
Cummulative LRAM variance	20,935.40	3,645.69	1,053.68	-	-	-	\$25,634.78
2012 Carrying charges	307.75	53.59	15.49	-	-	-	\$376.83
Cummulative carrying charges	420.14	72.19	15.49	-	-	-	\$507.82
2013 CDM Forecast	\$ (22,902.51)	\$ (2,207.89)	\$ (7,339.04)	\$ (2,024.51)	\$ (243.95)	\$ (2,685.70)	(\$37,403.61)
2013 Actuals	18,237.81	3,974.35	7,514.71	-	-	-	\$29,726.86
2013 Cleared	-	-	-	-	-	-	\$0.00
2013 LRAM variance	(4,664.70)	1,766.46	175.66	(2,024.51)	(243.95)	(2,685.70)	(\$7,676.74)
Cummulative LRAM variance	16,270.70	5,412.15	1,229.34	(2,024.51)	(243.95)	(2,685.70)	\$17,958.03
2013 Carrying charges	239.18	79.56	18.07	(29.76)	(3.59)	(39.48)	\$263.98
Cummulative carrying charges	659.32	151.74	33.56	(29.76)	(3.59)	(39.48)	\$771.80
2014 CDM Forecast	\$ (23,159.84)	\$ (2,235.49)	\$ (7,441.84)	\$ (2,048.33)	\$ (247.36)	\$ (2,723.30)	(\$37,856.16)
2014 Actuals	30,239.38	5,900.26	8,771.58	-	-	-	\$44,911.22
2014 Cleared	-	-	-	-	-	-	\$0.00
2014 LRAM variance	7,079.54	3,664.78	1,329.74	(2,048.33)	(247.36)	(2,723.30)	\$7,055.06
Cummulative LRAM variance	23,350.24	9,076.93	2,559.08	(4,072.84)	(491.31)	(5,409.01)	\$25,013.09
2014 Carrying charges	343.25	133.43	37.62	(59.87)	(7.22)	(79.51)	\$367.69
Cummulative carrying charges	1,002.57	285.17	71.18	(89.63)	(10.81)	(118.99)	\$1,139.49
Principal and Carry Chrgs	24,352.81	9,362.10	2,630.26	(4,162.47)	(502.11)	(5,528.00)	26,152.58

Forecast for 2011- 2014	(\$75,259.77)
Actual to Date	\$100,272.85
Difference	\$25,013.09
Carrying Charges	\$1,139.49
Total	\$26,152.58

2
3
4
5

1 APPENDICIES

A	InnPower Corporation Collective Agreement
B	InnPower Corporation CFF CDM Plan
C	InnPower Corporation LRAMVA 2011-2014_Final.xlsm
D	2011- 2014 Final Results Report InnPower Corporation IESO
E	InnPower Corporation Purchasing Policy/Financial Policies and Procedures
F	InnPower Corporation's Actuarial Report
G	PILS Work Form Model
H	2014 Tax Return
I	InnPower Corporation Water/Waste Water Service Agreement
J	OEB Notification of Major Event

2
3

1 **APPENDIX A: COLLECTIVE AGREEMENT**

2

COLLECTIVE AGREEMENT

between

INNPOWER CORPORATION

and

POWER WORKERS' UNION
C.U.P.E. LOCAL 1000, INNISFIL

July 7, 2016 to July 6, 2019

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COLLECTIVE AGREEMENT

Between

INNPOWER CORPORATION
(hereinafter referred to as the "Company")

and

POWER WORKERS' UNION, C.U.P.E. LOCAL 1000, INNISFIL
(hereinafter referred to as the "Union")

ARTICLE 1 - PURPOSE

- 1.01 The purpose of this agreement is to maintain an harmonious relationship between the Company and its employees and to provide an orderly and amicable method of settling any differences or grievances which arise.

ARTICLE 2 - UNION RECOGNITION AND SECURITY

- 2.01 The Company agrees to recognize the Union as the sole bargaining agent for all employees of the Company, save and except Foreperson, Supervisor, those above the rank of Foreperson and Supervisor, persons regularly employed for not more than 24 hours per week, and students.
- 2.02 It is agreed that all bargaining unit employees eligible to become members of this Union, whether members or not, will pay an amount equal to the current monthly dues as a condition of employment. The Company agrees to deduct bi-weekly the amount of current dues from the salary of an employee and remit money so deducted to the financial officer of the Union prior to the end of each following calendar month, accompanied by a list of names of those from whom deductions were made.
- 2.03 In consideration of the deduction and forwarding service by the Company, the Union agrees to indemnify and save the Company harmless against any claim or liability arising out of or resulting from the collection and forwarding of these dues.

ARTICLE 3 – DEFINITIONS

- 3.01 Whenever the singular or masculine is used in this agreement, it shall be considered as if the plural or feminine has been used where the context so requires.

ARTICLE 4 - NO DISCRIMINATION

- 4.01. The Company and the Union agree that there shall be no discrimination exercised or practiced with respect to an employee by reason of membership or non membership in the Union. Any employee who feels that he or she has suffered discrimination shall have the right to seek redress in accordance with the Grievance and Arbitration Procedure, and legislative Acts and Procedures.

ARTICLE 5 - MANAGEMENT RIGHTS

- 5.01 The Union agrees that the Company has the exclusive right to manage its affairs including but without restricting the foregoing, the right to direct the staff and hire, promote, transfer, layoff, suspend, discharge or discipline employees for just cause, subject always to the employee's right to lodge a grievance.

ARTICLE 6 - NO STRIKE - NO LOCKOUT

- 6.01 The Company and Union agree that there will be no strikes or lock-outs as defined in the Labour Relations Act.

ARTICLE 7 - SENIORITY

- 7.01 Seniority shall be defined as the length of continuous service a regular employee and/or regular part time (on a pro-rated basis) employee has established with the Company from the last date the employee entered the employ of the Company.
- 7.02 An employee shall lose his/her seniority and shall cease to be an employee of the Company if he/she:
- 1) terminates voluntarily;
 - 2) is discharged and not reinstated;
 - 3) retires;
 - 4) is absent from work for three (3) or more days without permission unless the employee provides the Company with documented evidence, judged by the Company to be unavoidable reasons for not reporting for work;
 - 5) is laid off for a period of twelve (12) or more months;
 - 6) fails to report to work after a layoff within four (4) working days of recall, notice of which has been mailed by registered mail to the last address the employee has reported to Management;
 - 7) is absent from work because of non-occupational illness or injury providing the employee's Short Term Income Protection Plan's 119 days has elapsed and a further twelve (12) months has elapsed;
 - 8) is absent from work because of occupational illness or injury covered by the Workplace Safety and Insurance Board for twenty-four (24) or more months;
 - 9) is permanently disabled and unable to work for the Company in a job classification in which there is a job available and the Company has tried to find other work for them.

ARTICLE 8 - EMPLOYEE CATEGORIES

- 8.01 Regular employees are persons who have successfully completed the probationary period and have been granted regular status with the Company.
- 8.02 A probationary employee is a person hired on a trial basis for six (6) months, during which time they shall not be subject to the terms of this agreement, except in the wage rate classification or where clauses specifically refer to probationary employees therein. Employees retained past the six (6) months shall be deemed satisfactory and placed on the seniority list and credited with seniority from the date last hired.
- 8.03 Regular part-time employees are persons who work more than 24 hours and less than 40 hours per week.
- 8.04 The Company will provide seven (7) days prior written notification to the Union of a change to an employee's category.
- 8.05 Customer Service Representative Support

The Company may from time to time call in support personnel to assist the Customer Service Representatives when one or more Customer Service Representatives are absent. The absence would entail planned vacation or a lengthy illness or accident. The absence might also include short term illness or training.

There would be a minimum of 650 hours and a maximum of 1,000 hours per anniversary year.

The wage rate would be 85% of the Customer Service Representative rate, increasing to 90% after completion of 1040 hours of work.

A vacation allowance of 4% will be accrued and paid out at the first pay period after each anniversary date.

The position would be subject to union dues.

- 8.06 The Company and Union agree that temporary employment is permitted within this Collective Agreement. The temporary employment shall not exceed three (3) months unless agreed to by the Principal Steward. Temporary employees will not be hired for more than fourteen (14) months in a twenty-four (24) month period, unless mutually agreed. In the event that temporary employees become regular through a job posting (without a break in employment), such temporary time will be credited to their seniority. Temporary employees will be covered by the Collective Agreement with the exception of Article 16. Temporary employees will not be hired into positions where regular employees can be stepped up.

The temporary employee will be entitled to 4% vacation pay or equivalent time off, as mutually agreed.

The position will be subject to union dues.

ARTICLE 9 - GRIEVANCE PROCEDURES

9.01 Step 1

Complaints and grievances shall be dealt with in the following manner, and all grievances must be in writing and filed within ten (10) days of the alleged grievance. Replies to grievances will also be in writing at all stages.

The employee, with or without the assistance of a steward, may take the matter up with their Supervisor. Failing settlement at this level within one (1) week, the Union may then proceed to Step 2.

9.02 Step 2

The employee, with the assistance of a steward and/or a Union representative, may then take the matter up with the CEO within four (4) days, at which time any or all the people concerned may be present. Failing settlement at this level within thirty (30) days, the matter may then be referred to arbitration, as provided in Article 9 of this agreement.

9.03 All written warnings and disciplinary letters shall not be relied upon or referred to after twenty-four (24) months of the last recorded disciplinary action, unless a lesser time is agreed upon between the parties. Remove all disciplinary letters after twenty-four (24) months of occurrence.

ARTICLE 10 - ARBITRATION

10.01 It is agreed by the parties hereto that any difference of opinion relating to the interpretation, application, administration or alleged violation of this agreement which cannot be settled after exhausting the grievance procedure, will be settled by arbitration, as defined in the Ontario Labour Relations Act. No Board of Arbitration shall have the power to alter or change any of the provisions of this agreement or to substitute any new provisions for any existing provision or to provide a decision, which is inconsistent with any terms or provision of this agreement.

10.02 Each party to this agreement will bear the expenses and fee of its arbitrator and the parties will share equally the expenses and fee of the Chairperson.

10.03 Where mutually agreeable a sole arbitrator may be used in place of a Board of Arbitration.

ARTICLE 11 - COMMITTEES AND STEWARDS

11.01 The Company acknowledges the right of the Union to appoint or otherwise select regular employees to committees and stewards in accordance with the section of this Article. The Union shall advise the Company of the names of personnel serving on these committees and as stewards it being agreed to limit stewards to two (2).

- 11.02 It is acknowledged by the Union that stewards and committee members have regular duties to perform on behalf of the Company, and that such persons will not absent themselves from their duties without the express permission of the Supervisor concerned. Such permission will not be unreasonably withheld.
- 11.03 The steward will be provided with a locking file cabinet on the Company property.

ARTICLE 12 - JOB POSTING AND LAYOFFS

- 12.01 When vacancies occur or new positions in the bargaining unit are created, these positions will be sent electronically to all employees via corporate email and posted on a bulletin board accessible to all employees for a period of seven (7) working days, during which time present employees will have opportunity to apply before outsiders are considered.

Management will consider qualifications and ability as the primary factors in promotion. When qualifications and ability are relatively equal, in Management's opinion, seniority shall govern.

- 12.02 A layoff shall be defined as a reduction in the work force. In the event of a layoff, employees shall be laid off in the reverse order of their seniority (last hired, first laid off). Employees shall be recalled in order of their seniority, provided they are qualified to do the work available.

No regular employee will be laid off as a result of the use of contractors.

New employees shall not be hired until those laid off have been given an opportunity of recall, providing the recalled employees have the qualifications and the ability to perform the work available.

- 12.03 For the purpose of lay-off, Union Stewards shall be given 1 additional year of service.

ARTICLE 13 - SICK LEAVE

- 13.01 A regular employee and the probationary employee who has completed three months continuous employment, while absent on sick leave, will receive compensation from the Company for all normal working days in accordance with the approved Short Term Income Protection Plan, appended hereto as Schedule "B" to this agreement.
- 13.02 The Company agrees to pay on behalf of regular employees and regular part-time employees 100% of a Long Term Income Protection Plan, appended hereto as Schedule "C" to this agreement.
- 13.03 It is recognized and agreed that additional benefits granted by the Company in settlement of this current agreement satisfy the requirements of the refund provision of the rebate section of the Employment Insurance Sick Leave legislation.

ARTICLE 14 – WORKERS’ COMPENSATION PAYMENTS

- 14.01 Payments under the Workers’ Compensation Act will be made according to the provisions set out within that Act. Pending the decision of the Workplace Safety and Insurance Board regarding the legitimacy of a claim, an amount equal to an employee's normal earnings be advanced at his/her current level of sick leave.

ARTICLE 15 - LEAVE OF ABSENCE

15.01 Bereavement Leave

A regular employee will be allowed a maximum of five (5) days off when a death occurs in the immediate family. A regular rate of pay will be maintained for any such day falling during an employee's regular work schedule. Immediate family to mean: father, mother, sister, brother, spouse, son, daughter, step parent. In the event of the death of a father-in-law, mother-in-law, sister-in-law, brother-in-law, daughter-in-law, son-in-law, grandparent, grandchild, step brother, step sister, step son, step daughter or other relative living with the employee, a regular employee will be allowed a maximum of three (3) days off. In addition, one day bereavement leave will be granted in the death of an aunt or uncle. If requested by the Corporation the employee shall provide proof of death.

Note: The Company will consider request for additional time off under extenuating circumstances.

15.02 Union Business

Subject to workload, leave of absence without pay may be granted to persons delegated to represent the membership on union business.

15.03 Maternity and Parental Leave

As per the Employment Standards Act.

15.04 Jury or Witness

Leave of absence with pay without loss of seniority benefits will be granted to an employee who serves as a juror or witness in the Province of Ontario. The Company shall pay such an employee the difference between normal earnings and the payment received for jury service or court witness, excluding payment for travelling, meals, or other expenses. The employee will present proof of service and proof of the amount received, satisfactory to the Company.

ARTICLE 16 - BENEFITS

- 16.01 As a condition of employment every regular employee shall join the benefit plans stated, either as single or family coverage. Every probationary employee, as a condition of employment, who has completed three months continuous employment, shall join the benefit plans stated, either as single or family coverage, unless otherwise stated. A married

employee whose spouse is employed elsewhere may elect not to participate, subject to signing the appropriate waiver. The benefits provided under these conditions will be in accordance with and subject to the terms and conditions of the contract entered into by the Company with the respective insuring agency. The Company may negotiate the terms and conditions and/or select plan carriers for any of the benefits, provided however that the benefits and coverage are basically the same on the understanding there must be mutual agreement from the Union.

16.02 The Company agrees to pay on behalf of eligible employees 95% of the premium cost of:

- (a) extended health coverage for Manuscript Generic Drug Plan 2 – Prescription Drugs, Vision Care to a maximum of \$425 during any 2 calendar year(s) plus eye exams once per calendar year, semi-private hospital, plus those professional services described in the employee benefits package;
- (b) dental coverage providing 100% for Basic and Supplementary Services (Levels I and II), 50% for Dentures and Major Restorative Services (Levels III and IV), and 50% for Orthodontics (Level V), in accordance with the Current Fee Guide for General Practitioners. Benefit maximum is \$1,750 per calendar year combined for Level III and Level IV. Benefit maximum is \$2,000 per lifetime for Level V;
- (c) a group life insurance plan for employees providing two times annual salary coverage. If available from the insurance carrier, employees may apply to have an additional one times annual salary coverage at own expense;
- (d) an accidental death and dismemberment plan for employees providing two times annual salary coverage.;
- (e) Cost Plus providing \$500 coverage per calendar year for prescribed non-prescription drugs and physiotherapy. Effective July 7, 2018 Cost Plus will increase to \$525 coverage per calendar year for prescribed non-prescription drugs, physiotherapy and \$25 towards vision care to a maximum of \$450.

Refer to Benefit Booklet for further details on the benefit plan.

16.03 In addition to the Canada Pension Plan, every eligible employee, effective the date of commencement of employment shall join the basic O.M.E.R.S. Pension Plan in accordance with the provisions of the plan.

16.04 The Company shall provide E.I., W.S.I.B., and E.H.T. coverage to all regular and probationary employees in accordance with the provisions of the respective Acts and Regulations and Collective Agreement.

16.05 The Employer agrees to pay 50% effective January 1, 2009 of the premiums for early retirees from age 55 to 65 who have a minimum of 15 years of service with InnPower for the following benefit package:

- (a) extended health coverage for Manuscript Generic Drug Plan 2 – Prescription Drugs, Vision Care to a maximum of \$425 during any 2 calendar year(s) including eye exams once per calendar year, semi-private hospital, plus those professional services described in the employee benefits package;
- (b) dental coverage providing 100% for Basic and Supplementary Services (Levels I and II), 50% for Dentures and Major Restorative Services (Levels III and IV), and 50% for Orthodontics (Level V), in accordance with the Current Fee Guide for General

- Practitioners. Benefit maximum is \$1,750 per calendar year combined for Level III and Level IV. Benefit maximum is \$1,500 per lifetime for Level V;
- (c) a group life insurance plan for employees providing two times their last annual salary coverage. If available from the insurance carrier, employees may apply to have an additional one times annual salary coverage at own expense;
 - (d) an accidental death and dismemberment plan for employees providing two times their last annual salary coverage.

ARTICLE 17 - ANNUAL VACATIONS AND PAID HOLIDAYS

17.01 Vacation schedules must be mutually agreed upon between the Company and the employees. Vacation requests submitted by February 1st shall be granted on a seniority basis amongst employees within their department. Vacation requests submitted after February 1st will be granted on a first come first serve basis. Vacation credits shall be calculated on the basis of the employee's anniversary date. Employees will be allowed to use their vacation credits at any time within the calendar year of their anniversary date, with carryover only allowed in exceptional circumstances.

17.02 Management may, for purposes of granting vacation, permit a level of entitlement that reflects a new employee's experience in other organizations. This will have no change in regards to item 7.01 – Seniority.

Employees with 1 year and less than 3 years' service will receive two (2) weeks' vacation with pay.

Employees with 3 years and less than 5 years' service will receive three (3) weeks' vacation with pay.

Employees with 5 years' service will receive three (3) weeks plus one day vacation with pay.

Employees with 6 years' service will receive three (3) weeks plus two days' vacation with pay.

Employees with 7 years' service will receive three (3) weeks plus three days' vacation with pay.

Employees with 8 years' service will receive three (3) weeks plus four days' vacation with pay.

Employees with 9 years' service will receive four (4) weeks' vacation with pay.

Employees with 13 years' service will receive four (4) weeks plus one (1) day vacation with pay.

Employees with 14 years' service will receive four (4) weeks plus two (2) days' vacation with pay.

Employees with 15 years' service will receive four (4) weeks plus three (3) days' vacation with pay.

Employees with 16 years' service will receive four (4) weeks plus four (4) days' vacation with pay.

Employees with 17 years or more service will receive five (5) weeks' vacation with pay.

Employees with 22 years' service will receive five (5) weeks plus one (1) day vacation with pay.

Employees with 23 years' service will receive five (5) weeks plus two (2) days' vacation with pay.

Employees with 24 years' service will receive five (5) weeks plus three (3) days' vacation with pay.

Employees with 25 years will receive five (5) weeks plus four (4) days' vacation with pay.

Employees with 26 years' service will receive six (6) weeks' vacation with pay.

- 17.03 The following paid holidays are recognized as requiring time off with normal pay for all regular and probationary employees. When such holidays fall on a Saturday or Sunday, the holiday will be observed on the immediate preceding Friday or following Monday, as the Company may decide.

New Year's Day
Family Day
Good Friday
Easter Monday

Victoria Day
Canada Day
Civic Holiday
Labour Day

Thanksgiving Day
Christmas Day
Boxing Day

- 17.04 Three floater days per calendar year will be provided to each regular employee, to be taken at a time mutually agreeable by the employee and management. In addition, all employees will receive 1 full paid day on the final work day prior to December 25 and 1/2 paid day on the final work day prior to January 1.

- 17.05 Vacation pay shall be based on the employee's regular classification. The employee's vacation pay will be reduced on a pro-rata basis when:

- (1) on leave of absences without pay aggregating in excess of twenty (20) working days;
- (2) laid off for temporary periods aggregating in excess of thirty (30) working days.

- 17.06 When, during their vacation, an employee is incapacitated due to an illness or injury and produces a medical doctor's certificate, they shall be entitled to take their vacation or part thereof at another time mutually agreed upon.

ARTICLE 18 - HOURS OF WORK AND OVERTIME RATES

- 18.01 The following hours of work shall be considered normal hours and paid at the standard rate as shown on Schedule "A".

Monday to Friday, 8 hours per day (five days per week, 40 hours per week) between the hours of 7:30 am and 6:00 p.m. with a minimum, unpaid, one-half hour for lunch.

All authorized work performed at other than normal hours will be considered overtime and paid at two times the employee's basic rate.

NOTE:

Overtime work, including public weekend events, will be offered first to regular full time employees within the department affected and will be equitably distributed amongst qualified employees. When additional internal support is required from outside the department, the Company will endeavor to distribute overtime in an equitable manner amongst regular full time employees.

18.02 Hours of work arrangements other than those noted above may be developed and implemented providing the following principles are adhered to:

- a) Such schedules will be established by mutual agreement between Management and the Principal Steward or delegate.
- b) Operational effectiveness will be maintained.
- c) Either party may cancel such arrangements with thirty (30) days' notice.

Such arrangements may include flexible hours, summer hours, compressed work week.

18.03 Employees will have the option to bank their overtime at the appropriate premium rate to a maximum of sixty four (64) hours per year. Banked time earned from January to the end of October must be used by year end or shall be paid out. Banked time earned from the beginning of November to the end of December may be transferred to the following year and must be used by year end or shall be paid out.

ARTICLE 19 - PAYMENT OF MEALS

19.01 If an employee is authorized to continue working beyond a normal work day, the Company will provide the employee with an appropriate meal after two hours and every four hours thereafter.

If a suitable meal cannot be provided the employee shall receive a meal allowance of \$14.00, effective July 7, 2017 \$15.00, effective July 7, 2018 \$16.00. If an employee is called out to work extended periods of overtime on Saturday, Sunday or statutory holidays, without forewarning, the Company will provide the employee with an appropriate meal on approximately a four hour interval basis. If forewarned, the employee shall carry or provide the first meal.

19.02 It is recognized that between the hours of midnight and normal starting time, it may not be feasible for the Company to provide a meal, and the employee may not feel the need for one. In such cases soup, a muffin, or a beverage shall be considered as fulfilling the requirement of a meal.

ARTICLE 20 - CLOTHING AND PERSONAL TOOLS

20.01 It is agreed by the Company that each employee who will be required to work outside, excluding delivery work, will be supplied with the following items that may only be used/worn while performing work for the Company:

- (a) Work gloves, as required.
- (b) The employee shall be reimbursed the cost of "Green Patch" CSA approved dielectric safety boots/shoes, acceptable to the Company, upon presentation of a bona fide receipt, up to a maximum of \$235 effective July 7, 2017 \$245, effective July 7, 2018 \$255.
- (c) Overalls to protect clothing when working under adverse conditions.
- (d) A parka, acceptable to the Company, for the following: Engineering Technician, Engineering Technologist, Purchaser/Stockkeeper and Customer Service Technician, GIS/Autocad Technician and Meter Technician. A replacement will be provided when previous parka is worn out and returned.
- (e) Fire Retardant clothing which is required by law/regulation to be worn, will be supplied by the Company at no cost to the employee.

20.02 The Company will supply employees with tools deemed by the Company to be required to carry out required duties. Employees are individually responsible for the care, maintenance and retention of these tools. Replacements will be provided on a return basis and for reasons satisfactory to management.

ARTICLE 21 - STANDBY

21.01 The Company agrees that when it requires an employee to be on standby, (available at a moment's notice) they will be paid effective July 7, 2016 \$35.00, effective July 7, 2018 \$40.00 per diem Monday to Friday, effective July 7, 2016 \$40.00, effective July 7, 2018 \$45.00 per diem Saturday and Sunday, and effective July 7, 2016 \$50.00, effective July 7, 2018 \$55.00 for recognized paid holidays as per 16.03. Standby will be offered to regular employees prior to contractors.

21.02 When an employee is called in for work outside of his normal working hours, the employee shall be provided with a minimum payment two (2) hours' pay at the appropriate premium rate or the actual time worked at the appropriate premium rate whichever is the greater, except when a short call follows within two (2) hours of the completion of the previous call or if the call falls within the minimum payment of two (2) hours, in which case time shall be considered continuous from the start of the previous call. There shall be no minimum payment applicable to overtime worked as an extension either before or after an employee's normal daily hours.

ARTICLE 22 - WAGE RATES AND JOB CLASSIFICATIONS

22.01 Rates of pay ranges and job classifications shall be as shown on Schedule "A" attached to and forming part of this Collective Agreement.

ARTICLE 23 - RELIEF PAY

23.01 When an employee is assigned by a Manager to perform the duties of a higher classification (Union position) for a period of four (4) hours or more, he/she shall receive eight percent (8%) of his/her current rate. When an employee is relieving in a Non-Union position for a period of four (4) hours or more, he/she shall receive fifteen percent (15%) of his/her current rate.

ARTICLE 24 - COPIES OF AGREEMENT

24.01 The Company shall have printed sufficient copies of the Collective Agreement within thirty (30) days of signing.

ARTICLE 25 – TERMINATION AND AMENDMENT

25.01 This agreement shall remain in force for a period of three (3) year(s) from July 7, 2016 to July 6, 2019 and shall continue in force from year to year thereafter unless in any year not more than ninety (90) days and not less than before its termination date, either party shall furnish the other with notice of a desire to terminate or amend this agreement. The parties agree to meet a minimum of two (2) weeks in advance of the scheduled negotiation commencement date to exchange agendas unless otherwise mutually agreed.

ARTICLE 26 – SUCCESSOR RIGHTS

The parties agree that Section 69 of the Labour Relations Act 1995 is incorporated into this collective agreement as it read on the date of June 6, 2003.

ARTICLE 27 – MID-TERM AGREEMENTS

Working conditions during the term of this Agreement shall be outlined in this Agreement and any Mid-Term Agreements.*

*A Mid-Term is a modification of the Collective Agreement executed by the parties in the following format during the term of the Collective Agreement.

Mid-Term Agreement

Title _____

Number _____

Date _____

It is jointly agreed that the following Mid-Term shall form part of the Collective Agreement between the parties.

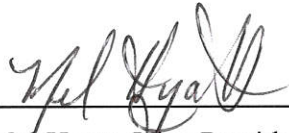
InnPower Corporation

Power Workers' Union

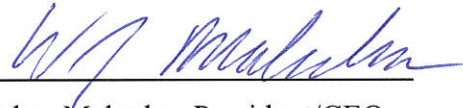
ARTICLE 28 – JOB EVALUATION PLAN

The Job Evaluation Plan and Maintenance Manual shall form part of the Collective Agreement.

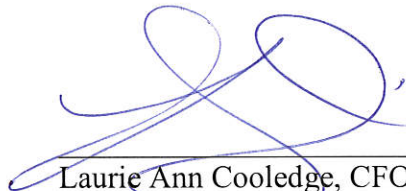
SIGNED THIS 3rd DAY OF November, 2016



Mel Hyatt, Vice President
Power Workers' Union



Walter Malcolm, President/CEO
InnPower Corporation



Laurie Ann Cooledge, CFO
InnPower Corporation

SCHEDULE "A"

Band/Position	July 7, 2016	July 7, 2017	July 7, 2018
Customer Accounts Representative (A)	\$24.38	\$24.87	\$25.37
Band B	27.49	\$28.04	\$28.60
Band C	\$28.59	\$29.16	\$29.74
Engineering & Operations Assistant (D)	\$29.75	\$30.35	\$30.96
Purchaser/Stockkeeper (D)	\$29.75	\$30.35	\$30.96
CDM Representative (D)	\$29.75	\$30.35	\$30.96
Customer Service Representative (E)	\$30.94	\$31.56	\$32.19
Accounting Clerk (E)	\$30.94	\$31.56	\$32.19
Financial Analyst (F)	\$32.17	\$32.81	\$33.47
Information Systems Analyst	\$32.17	\$32.81	\$33.47
GIS/Autocad Technician (G)	\$33.47	\$34.14	\$34.82
Engineering Technician (H)	\$34.81	\$35.51	\$36.22
Network Administrator (H)	\$34.81	\$35.51	\$36.22
Engineering Technologist (I)	\$41.20	\$42.02	\$42.86
Meter Technician (I)	\$41.20	\$42.02	\$42.86
Powerline Technician Journeyperson (I)	\$41.20	\$42.02	\$42.86
Substation/SCADA Technician (I)	\$41.20	\$42.02	\$42.86

Any licenses or C of Q's that are required by the company for tradespeople will be reimbursed by the company including renewal costs.

New Employees

Progression Steps – Non-Trades

Progression through steps: 85% start, 90% after 6 months, 95% after 12 months, 100% after 24 months.

If an employee is hired at 90%, the employee will be progressed to 95% after six months and 100% after 18 months. If an employee is hired at 95% they will be progressed to 100% after 12 months.

Employees moving to lower-paid positions will be “red circled” at the employees’ current rate, until the pay rate for the new positions attains the employee’s rate.

Employees moving to higher paid positions will have their rate adjusted to the closest percentage noted above with no reduction in wages.

Progression Steps – Trades

	Progression (Months)	%
Powerline Technician Sub-Foreperson		108
Powerline Technician Journeyperson		
Substation/SCADA Technician		
Meter Technician	48	100
	36	90
	24	80
	12	70
	Starting Rate	60

Progressions are not automatic to the Journeyperson level but are based on the successful completion of 8000 hours of service, the successful completion of Electricity Distributors Association/Infrastructure Health & Safety Association training programs and the Issuance of a Journeyperson Certificate of Qualification (C of Q). On successful completion of the C of Q employees will receive the Journeyperson rate retroactive to the date the employee was eligible to write the exam (maximum 90 days retro pay).

Employees who are hired as apprentices shall be given credit for all related apprentice hours worked for placement in the progression schedule.

SCHEDULE "B"
SHORT TERM INCOME PROTECTION

1. General

The following plan is designed to provide the regular employee and the probationary employee who has completed three months continuous employment with an income if they cannot perform their normal duties due to illness or injury during a short term disability. This plan does not duplicate or replace any Workers' Compensation benefits. Any reference to employee(s) in this schedule means regular employee(s).

2. Short Term Disability Defined

A period of disability resulting from illness or injury, including but not limited to mental, emotional, nervous disorders, alcoholism, or drug addiction, as determined by a legally qualified medical practitioner, which prevents an employee from attending their regular work and which extends for a period of not more than 119 days.

3. Seniority of Service

Service for all employees, for the purpose of this plan, shall mean completed years of full time continuous service with InnPower.

4. Short Term Income Protection Plan

Employees shall be paid for a non-occupational accidental injury or absence due to illness.

Any absence of four hours or more on a scheduled working day shall constitute an "occasion" for which the employee shall be paid according to the following:

- a) from the first day of absence for the first four (4) occasions of absence in a calendar year; and
- b) from the second day of the fifth (5th) occasion of absence in a calendar year; and
- c) from the third day of the sixth (6th) occasion of absence in a calendar year; and
- d) from the fourth day of the seventh (7th) and subsequent occasions of absence in a calendar year.

Successive absences due to the same or a related cause shall be considered as one continuous occasion of disability, unless separated by return to active employment for a period of two months. A disability due to a different cause shall be considered a new occasion, even if the disability occurs within a two month period.

SCHEDULE "B" (continued)

A certificate from a legally qualified medical practitioner shall be required for each period of absence lasting four (4) or more consecutive days.

5. Wage Rate Determination

For the purposes of this plan, a week's pay shall be the normal regular hours worked per week, in effect at the time of the occurrence. Length of service will be established based on the time of the occurrence.

Short term coverage shall apply to disabilities lasting up to 119 days and pay shall be continued in accordance with the following schedule:

Length of Service	100% of Salary first	70% of Salary balance
Less than one year	2 weeks	15 weeks
1 year, but less than 2	3	14
2 years, but less than 3	4	13
3 years, but less than 4	5	12
4 years, but less than 5	6	11
5 years, but less than 6	7	10
6 years, but less than 7	8	9
7 years, but less than 8	9	8
8 years, but less than 9	10	7
9 years, but less than 10	12	5
10 years, but less than 11	14	3
over 11 years	17	0

6. Termination of Short Term Income Protection

An employee shall be paid while he is disabled until the earlier of:

- i. the employee returns to work; or
- ii. the employee retires, either at the normal retirement age or opts to retire early; or
- iii. the employee exhausts their entitlement under the plan; or
- iv. the employee dies; or
- v. the employee resigns

7. Exclusions

No benefit shall be payable during an approved non-paid leave of absence.

SCHEDULE "B" (continued)

No benefit shall be payable during a period of pregnancy leave of absence to which an employee is entitled under the Employment Standards Act, or during any such longer period of pregnancy leave for which the employee has applied and has been approved by the employer.

Short term disability payments shall be offset by any other disability benefits payable to the employee.

An employee who is engaged in other employment and is receiving remuneration for their services, apart from their employment with InnPower, is not entitled to any benefits under the provisions of the Short Term Income Protection Plan for any occupational injury or sickness sustained during such periods of employment.

An employee who is receiving benefits under the provisions of the Short Term Income Protection Plan shall not engage in other employment and receive remuneration for their services, apart from their employment with InnPower.

Short term disability benefits shall not be paid for periods of absence from work for which an employee receives vacation pay, except as stated in Section 16.06 of the Collective Agreement.

Disability benefits shall not be paid for those days for which an employee is eligible for and receives holiday pay.

8. Benefits and Pension

The employer shall continue to pay its portion of the premiums of benefits including dental, extended health, life insurance, etc., and any other applicable benefits, except where otherwise stated. When required payroll deductions for benefit purposes shall continue to be made from the disability pay.

SCHEDULE "C"
LONG TERM INCOME PROTECTION

1. General

The Company agrees to pay on behalf of eligible regular employees and regular part-time employees 100% of a long term disability plan. Any reference in this schedule to employee(s) means regular employee(s).

2. Provisions

Long term disability (LTD) benefits shall be effective after 119 days of disability. LTD benefits shall be 66.7% of an employee's monthly earnings at the time of the occurrence. The medical non-evidence limit shall be \$3,100.00. Maximum monthly payment of \$4,000.00. Benefit terminates at age 65, or earlier retirement. Full Canada Pension Plan offset for primary benefits only. Definition of disability is two years of own occupation.

3. Details

The details of the plan are provided in a separate document, which would take precedence over anything mentioned above.

LETTER OF UNDERSTANDING

BENEFITS FOR ACTIVE EMPLOYEES BEYOND AGE 65

It is jointly agreed that the following Letter of Understanding shall form part of the Collective Agreement dated July 7, 2016 to July 6, 2019 between the parties:


Benefits for Active Employees beyond Age 65

InnPower will not eliminate or reduce any Health & Dental benefit coverage for active employees who work beyond age 65 up to age 70, understanding that the life insurance and AD&D will be reduced to 50% once the employee reaches age 65. All other benefits/insurance coverage will be in accordance with the current benefit plan.

The employee will utilize any Government supplied benefit (example: Ontario Drug Benefit) prior to submitting a benefit claim to the carrier for InnPower.



InnPower Corporation



Power Workers' Union

November 3, 2016
Date

LETTER OF UNDERSTANDING

REST PERIODS IN REGARDS TO OVERTIME WORK

It is jointly agreed that the following Letter of Understanding shall form part of the Collective Agreement dated July 7, 2016 to July 6, 2019 between the parties:

The Rest Periods in Regards to Overtime Work applies to all members of InnPower's workplace community: employees (full-time, part-time, temporary). All participants in InnPower's workplace community are accountable for complying with the following:

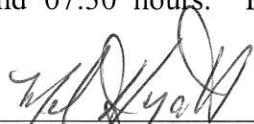
1. During a regular work week, hours worked between 00:00 hours and 06:00 hours will receive the equivalent time plus one-half hour off as a paid rest period. If the overtime work is completed before 06:00 hours, the rest period will be taken at the beginning of the normal work day. If the overtime work is completed after 06:00 hours, the rest period will be taken at the end of the normal work day. *
2. During a regular work week, hours worked in excess of five (5) hours between 00:00 hours and normal start time will receive a full day off as a paid rest period. *
3. Should the employee be required to work during a rest period, the employee will be paid at a regular rate and will be awarded equivalent time as flex hours.

* A paid rest period only qualifies for those regular hours the employee would have otherwise worked. Any hours the rest period falls outside of regular working hours will not be paid. The Manager shall be informed of any pending rest periods before time is taken off. Any rest period alterations shall be approved by the Manager.

Examples:

- Employee works 2 hours between 00:00 and 02:00 hours. He is entitled to $2 + \frac{1}{2}$ hours = $2 \frac{1}{2}$ hours taken at the beginning of the work day. Employee can report to work at 10:00 hours, providing an 8 hour rest period.
- Employee works $7 \frac{1}{2}$ hours between 00:00 and 07:30 hours. He is entitled to $7 \frac{1}{2} + \frac{1}{2} = 8$ hours rest period. Employee can go home.
- Employee works $2 \frac{1}{2}$ hours between 05:00 and 07:30 hours. He is entitled to $1 + \frac{1}{2}$ hours = $1 \frac{1}{2}$ hours rest period. Employee can go home at 14:30 hours. If employee is required to work until 16:00 hours, he will be entitled to $1 \frac{1}{2}$ hours flex time.
- Employee works $1 \frac{1}{2}$ hours between 06:00 and 07:30 hours. Rest period is not applicable.


InnPower Corporation


Power Workers' Union

November 3, 2016
Date

Mid-Term Agreement

CDM Representative Position

Agreement – IN-12

May 1, 2012

Without prejudice or precedence, the Company and Union agree to add the following amendment to Article 17 – Hours of Work and Overtime Rates in the Collective Agreement for the position of CDM Representative.

The CDM Representative position will be required to work outside of regular hours to attend related special events. Two weeks' notice will be given when possible.

The maximum banked time per year in Section 17.03 does not apply to this position.

InnPower Corporation

Power Workers' Union



Walter Malcolm



Mel Hyatt

Date: November 3, 2016

Date: OCTOBER 20, 2016

LETTER OF UNDERSTANDING

HOURS OF WORK / MEALS

It is jointly agreed that the following Letter of Understanding shall form part of the Collective Agreement dated July 7, 2016 to July 6, 2019 between the parties:

The following outline pertains to revised hours of work throughout the year:

Where there is a productive advantage demonstrated during the winter months (November 1st until April 1st), outside employees who are required to work and have lunch away from regular work headquarters will receive a meal allowance of up to a maximum of \$15.00 which must be supported by receipts. Reimbursement will be through direct deposit.


Where there is a productive advantage demonstrated during the summer months (April 1st until October 31st), all outside staff will receive a 20-minute paid lunch to be taken at the job site. This 20-minute paid lunch is included in their normal work day of 8 hours.

Either party may with one months' notice, opt to return to the conditions in the Collective Agreement.

The parties agree to jointly review this LOU by July 2017.



InnPower Corporation



Power Workers' Union

November 3, 2016

Date

LETTER OF UNDERSTANDING

EFFICIENCY COMMITTEE

It is jointly agreed that the Management of InnPower Corporation and members of the Power Workers' Union will co-operate on ways to improve the efficiency and reduce the costs of operations at InnPower Corporation.


A group of three Management staff selected by the Corporation and three Union staff selected by the Power Workers' Union, from various departments, will meet at regular intervals to consider suggestions from staff on ways to improve operations. They will report their findings to the President.

It is not the intent of the Efficiency Committee to limit management's authority, nor is the intent to interfere with union rights by legislation or collective agreements. It should be noted that formal grievances shall not be introduced at this committee since the manner in which grievances are to be processed is prescribed in the collective agreement.

While consultation does not involve mutual decision-making or formal agreement, it does imply that management should take into account the views and suggestions advanced by union representatives.



InnPower Corporation



Power Workers' Union

November 3, 2016
Date

1 **APPENDIX B: CFF CDM PLAN**

2

OVERVIEW OF CDM PLAN	
This CDM Plan must be used by the LDC in submitting a CDM Plan to the IESO under the Energy Conservation Agreement between the LDC and the IESO. The CDM Plan will consist of the information provided in this document and any additional information and supporting documents provided by the LDC to the IESO in support of this CDM Plan. Capitalized terms not otherwise defined herein have the meaning ascribed to them in the Energy Conservation Agreement as may be applicable.	
Complete all fields within the CDM Plan that are applicable. Where additional space is required to complete a section of the CDM Plan, please append additional pages as required. The LDC should indicate that additional information has been attached in the related question field on the CDM Plan. Please refer to the CDM Plan Submission and Review Criteria Rules for further information.	

A. General Information

1. CDM Plan Submission Date: (DD-Mon-YYYY)	23-Dec-2015
CDM Plan Version	V2

2.	LDC INFORMATION									
	LDC 1	LDC 2	LDC 3	LDC 4	LDC 5	LDC 6	LDC 7	LDC 8	LDC 9	LDC 10
LDC Name:	Innisfil Hydro Distribution Systems Limited									
Company Representative:										
Name:	Brenda L. Pinke									
Title:	CDM/Regulatory Manager									
Email Address:	brendap@innpower.ca									
Phone Number (XXX-XXX-XXXX):	705-431-6870 x262									

3. Primary Contact for CDM Plan	
Name:	Mathew Davy
LDC Name:	Innisfil Hydro Distribution Systems Limited
Title:	CDM Representative
Email Address:	mathewd@innpower.ca
Phone Number (XXX-XXX-XXXX):	705-431-6870 x264

Estimated Start Date of CDM Plan: (DD-Mon-YYYY)	1-Jan-2016
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LDC CONFIRMATION FOR CDM PLAN	
Each LDC to this CDM Plan has executed the Energy Conservation Agreement.	Yes
A completed Cost-Effectiveness Tool is attached and forms part of the CDM Plan.	Yes
A completed Achievable Potential Tool is attached and forms part of the CDM Plan.	Yes
All customer segments in each LDC's service area are served by the Programs set out in this CDM Plan.	Yes
The CDM Plan includes all electricity savings attributable to all Programs and pilot programs that have in-service dates between Jan 1, 2015 and December 31, 2020.	Yes
The CDM Plan Budget for each LDC includes all eligible funding under the full cost recovery and pay-for-performance mechanisms for Programs under its CDM Plan.	Yes
Frequency of LDC Invoicing to IESO (subsequent changes to the frequency should be notified to us by email).	Quarterly

COMPLETE FOR CDM PLAN AMENDMENTS ONLY	
Select the reason(s) for CDM Plan amendment, as per ECA.	
One time each calendar year of the term	
LDC wishes to request an adjustment to the CDM Plan Budget	
The amendments to a provision of the ECA or any Rules will have a material effect on the CDM Plan	
LDC's actual spending under CDM Plan has exceeded (or is reasonably expected to exceed) the portion of the CDM Plan Budget allocated to the current year of the term	
Under a joint CDM Plan, LDCs that are parties to a joint CDM Plan reallocate any portion of their respective CDM Plan Targets and CDM Plan Budgets [Reallocation not subject to IESO approval]	
IESO has triggered remedies under Article 5 of the ECA	
LDC seeking to change its selection of the type of funding that it wishes to receive for each Program in the CDM Plan [ECA, section 4.1]	
Other (Please specify reason)	New Program - CFF Small Business Lighting Yes

B. LDC Authorization

LDC DECLARATION	
Please complete the declaration for each LDC that is listed in this CDM Plan. A separate page with each LDC's signed declaration should be included as part of the CDM Plan submission.	

LDC	
<i>I represent that the information contained in this CDM Plan as it relates to the LDC is complete, true, and accurate in all respects. I acknowledge and agree to the following terms and conditions: (1) if this CDM Plan is approved by the IESO and accepted by each LDC to this CDM Plan, the CDM Plan together with any conditions to that approval is incorporated by reference into the Energy Conservation Agreement between the LDC and the IESO (2) the LDC will offer the Programs set out in Table 2 of this CDM Plan to customers in its service area; and (3) the LDC of will implement this CDM Plan in accordance with the CDM Plan Budget.</i>	
LDC's Legal Name:	Innisfil Hydro Distribution Systems Limited
Company Representative:	Brenda Pinke
Signature	
	<i>I/We have the authority to bind the Corporation.</i>
Date (DD-Mon-YYYY)	23-Dec-2015

C. CDM Plan Summary

TABLE 1: SUMMARY OF CDM PORTFOLIO SAVINGS AND BUDGET												
		CDM PLAN TOTAL	LDC 1	LDC 2	LDC 3	LDC 4	LDC 5	LCD 6	LCD 7	LCD 8	LCD 9	LCD 10
a.	Allocated LDC CDM Plan Target (MWh) Indicate total CDM Plan Target allocated to LDC(s)	13,010	13,010.0									
b.	CDM Plan MWh Savings Calculated as part of CDM Plan	13,010	13,010	0	0	0	0	0	0	0	0	0
c.	Allocated LDC CDM Plan Budget (\$) Indicate total budget allocated to LDC	\$3,680,241	\$3,680,241.00									
d.	Total CDM Plan Budget (\$) Calculated as part of CDM Plan	\$3,680,241	\$3,680,241	0	0	0	0	0	0	0	0	0
f.	CDM Plan Cost Effectiveness	<div>Program Year</div> <div>Indicate annual portfolio-level Cost Effectiveness for CDM Plan as determined by LDC(s) using output from Cost-Effectiveness Tool</div>	Total Resource Cost (TRC)			Program Administrator Cost (PAC)			Levelized Cost			
	Benefits (\$)		Costs (\$)	Ratio	Benefits (\$)	Costs (\$)	Ratio	(\$/kWh)				
	2015		\$1,326,697.93	\$800,097.57	1.7	\$1,125,670.00	\$0.00	2026408645.7	\$0.000			
	2016		\$2,406,292.04	\$1,987,732.12	1.2	\$2,076,147.41	\$834,467.38	2.5	\$0.027			
	2017		\$1,252,202.88	\$893,045.09	1.4	\$1,065,008.81	\$453,203.77	2.3	\$0.030			
	2018		\$2,083,745.16	\$948,162.80	2.2	\$1,785,050.01	\$696,617.36	2.6	\$0.032			
	2019		\$2,240,842.99	\$936,928.13	2.4	\$1,920,245.87	\$717,132.04	2.7	\$0.031			
	2020		\$2,463,905.28	\$1,007,601.65	2.4	\$2,111,282.61	\$762,687.27	2.8	\$0.030			
	CDM Plan Total		\$11,773,686	\$6,573,567	1.8	\$10,083,405	\$3,464,108	2.9	\$0.026			
g.	Plan Cost Effectiveness-Exceptions Rationale Complete this section if proposed plan <u>does not</u> meet minimum Cost-Effectiveness Thresholds set out in CDM Plan Submission and Review Criteria Rules.											

D. CDM Plan Detailed List of Programs, Election of Funding Mechanism, and Annual Milestones

NOTES																												
1. CDM Plan	Complete Table 2 for all Programs for which will contribute towards the CDM Plan Target.																											
2. Program Name	Province-wide LDC Program names are found in the applicable Program Rules. Regional & local Program names should be consistent with those included in approved business cases (if applicable) and consistent throughout this CDM Plan.																											
3. Anticipated Annual Budget	Include annual budgets for each Program to be allocated against the CDM Plan Budget by funding mechanism. Note: LDC Eligible Expenses incurred in 2014 for programs delivered in 2015 (and not funded as part of the 2011-2014 Master CDM Program Agreement) should be included in 2015 Annual anticipated budget amounts.																											
4. Target Gap	Portion of the CDM Plan Target that the LDC reasonably expects, based on qualified independent third party analysis as accepted by the IESO could only be achieved with funding in addition to the CDM Plan Budget.																											
LDC 1:	Innisfil Hydro Distribution Systems Limited																											
TABLE 2. PROGRAM AND MILESTONE SCHEDULE																												
Funding Mechanism	Approved Province Wide Programs	Approved Local, Regional, or Pilot Programs	Proposed Pilots or Programs	Program Start Date (DD-Mon-YYYY)	Customer Segments Targeted by Program							Program Implementation Schedule (Annual Anticipated Budget & Incremental Annual Milestones by Program)																
												2015		2016		2017		2018		2019		2020		Total 2015 - 2020				
					Anticipated Annual Budget (\$)	Energy Savings (MWh)	Anticipated Annual Budget (\$)	Energy Savings (MWh)	Anticipated Annual Budget (\$)	Energy Savings (MWh)	Anticipated Annual Budget (\$)	Energy Savings (MWh)	Anticipated Annual Budget (\$)	Energy Savings (MWh)	Anticipated Annual Budget (\$)	Energy Savings (MWh)	Anticipated Annual Budget (\$)	Energy Savings (MWh)	Total CDM Plan Budget (\$)	Total Persisting Energy Savings in 2020 (MWh)								
Full Cost Recovery Programs	Retrofit			1-Jan-2018			Yes	Yes	Yes	Yes	Yes	Yes	\$0	0.0	\$130,453	881.3	\$142,328	881.3	\$148,313	879.8	\$178,217	817.0	\$183,070	820.5	\$797,389	3,730		
	High Performance New			1-Jan-2019			Yes	Yes	Yes	Yes	Yes	Yes	\$0	0.0	\$68,225	171.0	\$68,332	228.0	\$68,863	228.0	\$69,280	228.0	\$69,711	228.0	\$425,412	1,883		
	Heating and Cooling Program			1-Jan-2016	Yes	Yes							\$0	0.0	\$79,181	88.8	\$54,020	11.6	\$57,931	12.8	\$61,728	13.6	\$66,910	15.5	\$321,780	120		
	Coupon Program			1-Jan-2016	Yes	Yes							\$0	0.0	\$40,071	115.7	\$41,810	121.5	\$43,691	127.2	\$45,458	133.0	\$47,239	138.8	\$218,270	836		
	New Construction Program			1-Jan-2016	Yes								\$0	0.0	\$28,071	38.8	\$35,900	55.2	\$51,491	92.0	\$51,908	92.0	\$80,839	183.9	\$257,270	459.8		
	Home Assistance Program			1-Jan-2016		Yes							\$0	0.0	\$35,045	25.9	\$37,459	28.2	\$38,800	31.4	\$42,200	34.5	\$44,538	37.7	\$189,738	158		
	Audit Funding Program			1-Jan-2016			Yes	Yes	Yes	Yes	Yes	Yes	\$0	0.0	\$13,071	0.0	\$18,788	75.9	\$19,319	75.9	\$19,735	75.9	\$20,180	75.9	\$91,679	303.4		
	Small Business Lighting			1-Feb-2016			Yes	Yes	Yes	Yes	Yes	Yes	\$0	0.0	\$33,907	48.7	\$34,356	48.7	\$34,887	48.7	\$35,428	42.4	\$32,859	42.4	\$164,495	230.9		
	Process and Systems Upgrades Program			1-Jan-2016								Yes	\$0	0.0	\$421,471	2,042.0	\$13,400	0.0	\$13,991	0.0	\$14,408	0.0	\$14,839	0.0	\$478,170	2,042.0		
			Unassigned Target - Residential	1-Jan-2018	Yes	Yes							\$0	0.0	\$0	0.0	\$0	0.0	\$240,880	802.1	\$240,880	802.1	\$240,880	802.1	\$240,880	802.1	\$722,689	2,676.4

E. Proposed Local and Regional Pilot CDM Programs

Notes			
Complete the following Table(s) for each proposed local and regional Program or Pilot Program in the CDM Plan for which a business case has NOT previously been approved by the IESO. Please refer to the Program Development and Rule Revision Guideline and the Business Case Template for full details on requirements and submission of a business case for approval of a local or regional Program. For the process for receiving funding for a Pilot Program, refer to the LDC Program Innovation Guideline.			

TABLE 3a. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a.	Program Name		
b.	Program Type	Use same "Program name" included in other worksheets	
b.	Estimated Business Case Submission Date (DD-Mon-YYYY)		
c.	Customer Segment(s) Served by Programs		
d.	Participating LDCs (If applicable)		
e.	Overview of Proposed Program or Pilot		
	Provide overview of key objectives and elements of proposed program or pilot.		

TABLE 3c. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (if applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3e. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (if applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3b. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a.	Program Name	Use same "Program name" included in other worksheets	
b.	Program Type		
b.	Estimated Business Case Submission Date (DD-Mon-YYYY)		
c.	Customer Segment(s) Served by Programs		
d.	Participating LDCs (If applicable)		
e.	Overview of Proposed Program or Pilot		
	Provide overview of key objectives and elements of proposed program or pilot.		

TABLE 3d. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (if applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3f. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (If applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

E. Proposed Local and Regional Pilot CDM Programs

Notes			
Complete the following Table(s) for each proposed local and regional Program or Pilot Program in the CDM Plan for which a business case has NOT previously been approved by the IESO. Please refer to the Program Development and Rule Revision Guideline and the Business Case Template for full details on requirements and submission of a business case for approval of a local or regional Program. For the process for receiving funding for a Pilot Program, refer to the LDC Program Innovation Guideline.			

TABLE 3g. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a.	Program Name		Use same "Program name" included in other worksheets
b.	Program Type		
b.	Estimated Business Case Submission Date (DD-Mon-YYYY)		
c.	Customer Segment(s) Served by Programs		
d.	Participating LDCs (if applicable)		
e.	Overview of Proposed Program or Pilot		
	Provide overview of key objectives and elements of proposed program or pilot.		

TABLE 3i. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a. Program Name		Use same "Program name" included in other worksheets	
b. Program Type			
b. Estimated Business Case Submission Date (DD-Mon-YYYY)			
c. Customer Segment(s) Served by Programs			
d. Participating LDCs (If applicable)			
e. Overview of Proposed Program or Pilot			
Provide overview of key objectives and elements of proposed program or pilot.			

TABLE 3h. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a.	Program Name	Use same "Program name" included in other worksheets	
b.	Program Type		
b.	Estimated Business Case Submission Date (DD-Mon-YYYY)		
c.	Customer Segment(s) Served by Programs		
d.	Participating LDCs (If applicable)		
e.	Overview of Proposed Program or Pilot		
	Provide overview of key objectives and elements of proposed program or pilot.		

TABLE 3j. PROPOSED LOCAL AND REGIONAL CDM PROGRAMS / PILOTS			
a.	Program Name	Use same "Program name" included in other worksheets	
b.	Program Type		
b.	Estimated Business Case Submission Date (DD-Mon-YYYY)		
c.	Customer Segment(s) Served by Programs		
d.	Participating LDCs (if applicable)		
e.	Overview of Proposed Program or Pilot		
	Provide overview of key objectives and elements of proposed program or pilot.		

F. Detailed Information on Collaboration and Regional Planning

ADDITIONAL DETAILED INFORMATION	
<p>Regional LDC(s) Collaboration <i>Description of how the LDC(s) will collaborate with other LDCs. If collaboration will not occur, description of why it will not occur.</i></p>	<p>InnPower Corporation is part of the CHEC Association and will be collaborating with CHEC members on both the design of new programs and pilot projects. CHEC will also be collaborating with the CHEC members to retain the services of our Roving Energy Manager who has been integral to the successes achieved within the CHEC LDC's in the 2011-2014 CDM timeframe.</p>
<p>Gas Collaboration <i>Description of how the LDC(s) will collaborate with other gas utility programs delivered in service area (if applicable). If collaboration will not occur, description of why it will not occur.</i></p>	<p>InnPower Corporation will be working with Powerstream Inc. in conjunction with Enbridge to look at programs that can be delivered to both electricity and gas consumers. InnPower will also be presenting an opportunity to Enbridge, should LDC's and Water/Waste Water partners to establish a "Conservation Store" in InnPower's new corporate headquarters. This concept will provide a one stop experience for residential consumers as to how to save energy within their home.</p>
<p>CDM Contribution to Regional Planning <i>Description of how the CDM Plan considers the electricity needs and investments identified in other plans or planned initiatives, completed or underway within the LDC(s)' service area or region. This may include Integrated Regional Resource Plans or Municipal Community Energy Plans.</i></p>	<p>InnPower Corporation is currently in the Scoping Phase of the Regional Planning process.</p>

G. Additional Documentation for CDM Plan (If applicable)

ADDITIONAL INFORMATION AND DOCUMENTATION	
Programs <i>Opportunity to provide any additional information on assumptions used for budgets and/or savings for approved 2015-2020 province-wide programs</i>	
Approved Local and/or Regional Programs and Pilot Programs <i>Opportunity to provide any additional information on assumptions used for budgets and/or savings for approved 2015-2020 local or regional programs or pilot programs</i>	
Proposed Local and/or Regional Programs and Pilot Programs <i>Opportunity to provide additional information on assumptions used for forecast budgets and/or savings for proposed programs or pilot programs</i>	
Programs from 2011-2014/2015 CDM Framework <i>Opportunity to provide any additional information on assumptions used for budgets and/or savings from existing 2011-2014/2015 CDM Programs</i>	
Programs funded through Pay-for-Performance <i>Opportunity to provide any additional information on assumptions used for budgets and/or savings for Pay for Performance Programs</i>	
Other <i>Additional assumptions used in the CDM Plan</i>	

1 **APPENDIX C: LRAMVA**


2




LDC Info

Utility Name	Innisfil Hydro Distribution Systems Limited
Service Territory	
Assigned EB Number	EB-2012-0139
Name of Contact and Title	Brenda L Pinke
Phone Number	705-431-6870 Ext 262
Email Address	brendap@innisfilhydro.com
Bridge Year	2012
Test Year	2013
Last Rebasing Year	2013

Notes

 Pale green cells represent input cells.

 White cells contain fixed values, automatically generated values or formulae.



Customer Class & Current Tariff Sheet



Customer Class Name	Existing/ Proposed	MSC Metric	Usage Metric
Residential	Exisitng	Customer	kWh
General Service < 50 kW	Existing	Customer	kWh
General Service > 50 to 4999 kW	Existing	Customer	kW
Unmetered Scattered Load	Existing	Connection	kW
Sentinel Lighting	Existing	Connection	kWh
Street Lighting	Existing	Connection	kW
other			
other			
other			
other			



Table 1 - LRAMVA register



Verified results updated **2014**

Description	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	other	other	Total
2011 CDM Forecast	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$0.00
2011 Verified	7,645.77	1,264.86	-	-	-	-	-				\$8,910.63
2011 Cleared	-	-	-	-	-	-	-				\$0.00
2011 LRAM variance	7,645.77	1,264.86	-	-	-	-	-				\$8,910.63
Cummulative LRAM variance	7,645.77	1,264.86	-	-	-	-	-				\$8,910.63
2011 Carrying Charges	112.39	18.59	-	-	-	-	-				\$130.99
Cummulative carrying charges	112.39	18.59	-	-	-	-	-				\$130.99
2012 CDM Forecast	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -				\$0.00
2012 Verified	13,289.63	2,380.84	1,053.68	-	-	-	-				\$16,724.15
2012 Cleared	-	-	-	-	-	-	-				\$0.00
2012 LRAM variance	13,289.63	2,380.84	1,053.68	-	-	-	-				\$16,724.15
Cummulative LRAM variance	20,935.40	3,645.69	1,053.68	-	-	-	-				\$25,634.78
2012 Carrying charges	307.75	53.59	15.49	-	-	-	-				\$376.83
Cummulative carrying charges	420.14	72.19	15.49	-	-	-	-				\$507.82
2013 CDM Forecast	\$ (22,902.51)	\$ (2,207.89)	\$ (7,339.04)	\$ (2,024.51)	\$ (243.95)	\$ (2,685.70)	\$ -				(\$37,403.61)
2013 Actuals	18,237.81	3,974.35	7,514.71	-	-	-	-				\$29,726.86
2013 Cleared	-	-	-	-	-	-	-				\$0.00
2013 LRAM variance	(4,664.70)	1,766.46	175.66	(2,024.51)	(243.95)	(2,685.70)					(\$7,676.74)
Cummulative LRAM variance	16,270.70	5,412.15	1,229.34	(2,024.51)	(243.95)	(2,685.70)					\$17,958.03
2013 Carrying charges	239.18	79.56	18.07	(29.76)	(3.59)	(39.48)					\$263.98
Cummulative carrying charges	659.32	151.74	33.56	(29.76)	(3.59)	(39.48)					\$771.80
2014 CDM Forecast	\$ (23,159.84)	\$ (2,235.49)	\$ (7,441.84)	\$ (2,048.33)	\$ (247.36)	\$ (2,723.30)	\$ -				(\$37,856.16)
2014 Actuals	30,239.38	5,900.26	8,771.58	-	-	-	-				\$44,911.22
2014 Cleared	-	-	-	-	-	-	-				\$0.00
2014 LRAM variance	7,079.54	3,664.78	1,329.74	(2,048.33)	(247.36)	(2,723.30)					\$7,055.06
Cummulative LRAM variance	23,350.24	9,076.93	2,559.08	(4,072.84)	(491.31)	(5,409.01)					\$25,013.09
2014 Carrying charges	343.25	133.43	37.62	(59.87)	(7.22)	(79.51)					\$367.69
Cummulative carrying charges	1,002.57	285.17	71.18	(89.63)	(10.81)	(118.99)					\$1,139.49

Principal and Carry Chrgs	24,352.81	9,362.10	2,630.26	(4,162.47)	(502.11)	(5,528.00)	-			\$0.00	26,152.58
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Input amounts cleared by rate class.

¹ Update formula for most recent rate year

Forecast for 2011- 2014	(\$75,259.77)
Actual to Date	\$100,272.85
Difference	\$25,013.09
Carrying Charges	\$1,139.49
Total	\$26,152.58

up to Dec 2013 booked in financials (verified)	Previous Amts Booked		New 1568 Amount		Correction Required	
	Principal	Carry Chrgs	Principal	Carry Chrgs	Principal	Carry Chrgs
2011	\$ 14,134.24		\$ 8,910.63	\$ 130.99	\$ (5,223.61)	\$ 130.99
2012	\$ 16,028.43	\$ 480.53	\$ 16,724.15	\$ 376.83	\$ 695.72	\$ (103.70)
2013	\$ -	\$ -	\$ (7,676.74)	\$ 263.98	\$ (7,676.74)	\$ 263.98
Dec 31, 2014 GL Totals			\$ 17,958.03	\$ 771.80		
			1580.800	1580.801		



CDM Targets

Forecast Year	kWh	kW
2011	560,000	121,630
2012	1,723,333	121,630
2013	2,886,667	121,630
2014	4,030,000	121,630
	9,200,000	486,520

Table 2 - Savings Due to CDM Included in Approved Load Forecast



Forecast Year	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	other	other	Total
	kWh	kWh	kW	kW	kWh	kW	0.00	0.00	0.00	0.00	
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00
2012	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00
2013	1286658.00	275986.00	2465.00	119089.00	5.00	71.00	0.00				1684274.00
2014	1286658.00	275986.00	2465.00	119089.00	5.00	71.00	0.00				1684274.00

Notes & Assumptions

No CDM load forecast component EB-2008-0233
No CDM load forecast component EB-2008-0233

Table 3 - Forecast Loss Revenue by Class

Forecast Year	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	other	other	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2011	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00
2012	0.00	0.00	0.00	0.00	0.00	0.00	0.00				0.00
2013	22902.51	2207.89	7339.04	2024.51	243.95	2685.70	0.00				37403.61
2014	23159.84	2235.49	7441.84	2048.33	247.36	2723.30	0.00				37856.16

CDM Adjustment as Approved in last Cost of Service

2011	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	other	other	Total
2011 Weather Normal Billed kWh	-	-	-	-	-	-	-	-	-	-	0.00
% of Billed	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CDM Spread kWh	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Adjusted Billed kWh with CDM Applied	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
2012	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	other	other	Total
2012 Weather Normal Billed kWh	-	-	-	-	-	-	-	-	-	-	0.00
% of Billed	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
CDM Spread kWh	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Adjusted Billed kWh with CDM Applied	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
2012 Weather Normal Billed kW	0.00	0.00	-	-	-	-	0.00	0.00	0.00	0.00	0.00
CDM kW Reduction	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Adjusted Billed kWh with CDM Applied	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
kWh to kW Ratio	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

2013	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	other	other	Total
kWh											
2011 Weather Normal Billed kWh	149,060,361	31,973,156	51,773,902	592,220	105,833	1,529,715					235035187.00
% of Billed	0.63	0.14	0.22	0.00	0.00	0.01	0.00	0.00	0.00	0.00	1.00
CDM Spread kWh	(1,830,737)	(392,690)	(635,879)	(7,274)	(1,300)	(18,788)	0.00	0.00	0.00	0.00	-2886667.00
Adjusted Billed kWh with CDM Applied	147,229,624	31,580,466	51,138,023	584,946	104,533	1,510,927	0.00	0.00	0.00	0.00	232148520.00
kW											
2012 Weather Normal Billed kW	0.00	0.00	148,945	-	294	4,471	0.00	0.00	0.00	0.00	153710.00
CDM kW Reduction	0.00	0.00	(182,942)	-	(380)	(5,219)	0.00	0.00	0.00	0.00	-188541.65
Adjusted Billed kWh with CDM Applied	0.00	0.00	(33,997)	-	(86)	(748)	0.00	0.00	0.00	0.00	-34831.65
kWh to kW Ratio			0.29	0.00	0.29	0.28					

2014	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	other	other	Total
kWh											
2011 Weather Normal Billed kWh	149,060,361	31,973,156	51,773,902	592,220	105,833	1,529,715					235035187.00
% of Billed	0.63	0.14	0.22	0.00	0.00	0.01	0.00	0.00	0.00	0.00	1.00
CDM Spread kWh	(2,555,844)	(548,224)	(887,734)	(10,154)	(1,815)	(26,229)	0.00	0.00	0.00	0.00	-4030000.00
Adjusted Billed kWh with CDM Applied	146,504,517	31,424,932	50,886,168	582,066	104,018	1,503,486	0.00	0.00	0.00	0.00	231005187.00
kW											
2012 Weather Normal Billed kW	0.00	0.00	148,945	-	294	4,471	0.00	0.00	0.00	0.00	153710.00
CDM kW Reduction	0.00	0.00	(255,401)	-	(530)	-	0.00	0.00	0.00	0.00	-255931.61
Adjusted Billed kWh with CDM Applied	0.00	0.00	(106,456)	-	(236)	4,471	0.00	0.00	0.00	0.00	-102221.61
kWh to kW Ratio			0.29	0.00	0.29						

Assumptions



Table 4 - Carrying Charges Prescribed Rates



Period	Board specified	Estimated	Used in calculations
2011 Q1	1.47%		1.47%
2011 Q2	1.47%		1.47%
2011 Q3	1.47%		1.47%
2011 Q4	1.47%		1.47%
2012 Q1	1.47%		1.47%
2012 Q2	1.47%		1.47%
2012 Q3	1.47%		1.47%
2012 Q4	1.47%		1.47%
2013 Q1	1.47%		1.47%
2013 Q2	1.47%		1.47%
2013 Q3	1.47%		1.47%
2013 Q4	1.47%		1.47%
2014 Q1	1.47%		1.47%
2014 Q2	1.47%		1.47%
2014 Q3	1.47%		1.47%
2014 Q4	1.47%		1.47%
2015 Q1	1.47%		1.47%
2015 Q2	1.10%		1.10%

Table 5 - Carrying Charges by Rate Class

Month	Quarter	Monthly Rate	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	other	other	Total
Jan-11	Q1	0.12%											
Feb-11	Q1	0.12%	\$0.78	\$0.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.91
Mar-11	Q1	0.12%	\$1.56	\$0.26	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.82
Apr-11	Q2	0.12%	\$2.34	\$0.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2.73
Total for rate year 2010			\$4.68	\$0.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5.46
Amount Cleared													\$0.00
Opening Balance for rate year 2011			\$4.68	\$0.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5.46
May-11	Q2	0.12%	\$3.12	\$0.52	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3.64
Jun-11	Q2	0.12%	\$3.90	\$0.65	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$4.55
Jul-11	Q3	0.12%	\$4.68	\$0.77	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5.46
Aug-11	Q3	0.12%	\$5.46	\$0.90	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$6.37
Sep-11	Q3	0.12%	\$6.24	\$1.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7.28
Oct-11	Q4	0.12%	\$7.02	\$1.16	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8.19
Nov-11	Q4	0.12%	\$7.81	\$1.29	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9.10
Dec-11	Q4	0.12%	\$8.59	\$1.42	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10.01
Jan-12	Q1	0.12%	\$9.37	\$1.55	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$10.92
Feb-12	Q1	0.12%	\$10.72	\$1.79	\$0.11	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$12.62
Mar-12	Q1	0.12%	\$12.08	\$2.04	\$0.22	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$14.33
Apr-12	Q2	0.12%	\$13.44	\$2.28	\$0.32	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$16.04
Total for rate year 2011			\$97.12	\$16.18	\$0.65	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$113.94

Amount Cleared														\$0.00
Opening Balance for rate year 2012			\$97.12	\$16.18	\$0.65	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$113.94
May-12	Q2	0.12%	\$14.79	\$2.52	\$0.43	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$17.74
Jun-12	Q2	0.12%	\$16.15	\$2.76	\$0.54	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$19.45
Jul-12	Q3	0.12%	\$17.51	\$3.01	\$0.65	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$21.16
Aug-12	Q3	0.12%	\$18.86	\$3.25	\$0.75	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$22.87
Sep-12	Q3	0.12%	\$20.22	\$3.49	\$0.86	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$24.57
Oct-12	Q4	0.12%	\$21.58	\$3.74	\$0.97	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$26.28
Nov-12	Q4	0.12%	\$22.93	\$3.98	\$1.08	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$27.99
Dec-12	Q4	0.12%	\$24.29	\$4.22	\$1.18	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$29.70
Jan-13	Q1	0.12%	\$44.65	\$7.61	\$1.29	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$53.55
Feb-13	Q1	0.12%	\$44.18	\$7.79	\$1.31	-\$0.21	-\$0.02	-\$0.27	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$52.77
Mar-13	Q1	0.12%	\$43.70	\$7.97	\$1.33	-\$0.41	-\$0.05	-\$0.55	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$51.99
Apr-13	Q2	0.12%	\$43.22	\$8.15	\$1.34	-\$0.62	-\$0.07	-\$0.82	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$51.20
Total for rate year 2012			\$429.20	\$74.68	\$12.37	-\$1.24	-\$0.15	-\$1.64	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$513.22
Amount Cleared														\$0.00
Opening Balance for rate year 2013			\$429.20	\$74.68	\$12.37	-\$1.24	-\$0.15	-\$1.64	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$513.22
May-13	Q2	0.12%	\$42.75	\$8.33	\$1.36	-\$0.83	-\$0.10	-\$1.10	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$50.42
Jun-13	Q2	0.12%	\$42.27	\$8.51	\$1.38	-\$1.03	-\$0.12	-\$1.37	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$49.64
Jul-13	Q3	0.12%	\$41.80	\$8.69	\$1.40	-\$1.24	-\$0.15	-\$1.64	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$48.85
Aug-13	Q3	0.12%	\$41.32	\$8.87	\$1.42	-\$1.45	-\$0.17	-\$1.92	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$48.07
Sep-13	Q3	0.12%	\$40.84	\$9.05	\$1.43	-\$1.65	-\$0.20	-\$2.19	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$47.29
Oct-13	Q4	0.12%	\$40.37	\$9.23	\$1.45	-\$1.86	-\$0.22	-\$2.47	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$46.50
Nov-13	Q4	0.12%	\$39.89	\$9.41	\$1.47	-\$2.07	-\$0.25	-\$2.74	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$45.72
Dec-13	Q4	0.12%	\$39.42	\$9.59	\$1.49	-\$2.27	-\$0.27	-\$3.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$44.93
Jan-14	Q1	0.12%	\$81.76	\$17.31	\$4.13	-\$2.48	-\$0.30	-\$3.29	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$97.12
Feb-14	Q1	0.12%	\$82.48	\$17.69	\$4.26	-\$2.69	-\$0.32	-\$3.57	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$97.84
Mar-14	Q1	0.12%	\$83.20	\$18.06	\$4.40	-\$2.90	-\$0.35	-\$3.85	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$98.56
Apr-14	Q2	0.12%	\$83.92	\$18.43	\$4.53	-\$3.11	-\$0.37	-\$4.12	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$99.28
Total for rate year 2013			\$1,089.22	\$217.87	\$41.09	-\$24.81	-\$2.99	-\$32.92	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,287.45
Amount Cleared														\$0.00
Opening Balance for rate year 2014			\$1,089.22	\$217.87	\$41.09	-\$24.81	-\$2.99	-\$32.92	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,287.45
May-14	Q2	0.12%	\$84.65	\$18.81	\$4.67	-\$3.32	-\$0.40	-\$4.40	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100.00
Jun-14	Q2	0.12%	\$85.37	\$19.18	\$4.80	-\$3.53	-\$0.43	-\$4.68	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$100.72
Jul-14	Q3	0.12%	\$86.09	\$19.56	\$4.94	-\$3.73	-\$0.45	-\$4.96	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$101.45
Aug-14	Q3	0.12%	\$86.82	\$19.93	\$5.08	-\$3.94	-\$0.48	-\$5.24	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$102.17
Sep-14	Q3	0.12%	\$87.54	\$20.30	\$5.21	-\$4.15	-\$0.50	-\$5.51	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$102.89
Oct-14	Q4	0.12%	\$88.26	\$20.68	\$5.35	-\$4.36	-\$0.53	-\$5.79	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$103.61
Nov-14	Q4	0.12%	\$88.98	\$21.05	\$5.48	-\$4.57	-\$0.55	-\$6.07	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$104.33
Dec-14	Q4	0.12%	\$89.71	\$21.43	\$5.62	-\$4.78	-\$0.58	-\$6.35	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$105.05
Jan-15	Q1	0.12%	\$105.75	\$30.88	\$7.54	-\$10.02	-\$1.21	-\$13.30	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$119.63
Feb-15	Q1	0.12%	\$105.75	\$30.88	\$7.54	-\$10.02	-\$1.21	-\$13.30	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$119.63
Mar-15	Q1	0.12%	\$105.75	\$30.88	\$7.54	-\$10.02	-\$1.21	-\$13.30	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$119.63
Apr-15	Q2	0.09%	\$79.13	\$23.11	\$5.64	-\$7.50	-\$0.90	-\$9.95	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$89.52
Total for rate year 2014			\$2,183.00	\$494.54	\$110.49	-\$94.77	-\$11.43	-\$125.79	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,556.06
Amount Cleared														\$0.00
Opening Balance for rate year 2015			\$2,183.00	\$494.54	\$110.49	-\$94.77	-\$11.43	-\$125.79	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,556.06



Table 6 - Distribution Rates



Rate Class	Billing Unit	2011	2012	2013	2014	May 1, 2010 to Apr 30, 2011	May 1, 2011 to Apr 30, 2012	May 1, 2012 to Dec 31, 2012	Jan 1, 2013 to Dec 31, 2013	Jan 1, 2014 to Dec 31, 2014
For "Calendar" rate year							2011	2012	2013	2014
Pro-ratio of Rates (months) - Period 1						4	4	4	0	0
Pro-ratio of Rates (months) - Period 2						8	8	8	12	12
Residential	kWh	0.0186	0.0187	0.0178	0.0180	0.0186	0.0186	0.0188	0.0178	0.0180
General Service < 50 kW	kWh	0.0087	0.0086	0.0080	0.0081	0.0092	0.0085	0.0086	0.0080	0.0081
General Service > 50 to 4999 kW	kW	3.0111	2.9664	2.9773	3.0190	3.1351	2.9491	2.9751	2.9773	3.0190
Unmetered Scattered Load	kW	0.0393	0.0395	0.0170	0.0172	0.0392	0.0393	0.0396	0.0170	0.0172
Sentinel Lighting	kWh	32.1130	34.6939	48.7891	49.4721	27.3557	34.4916	34.7951	48.7891	49.4721
Street Lighting	kW	34.2758	37.1976	37.8268	38.3564	28.8659	36.9807	37.3061	37.8268	38.3564
other	0	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
other	0	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
other	0									
other	0									

References:

Decision & Orders relating to distribution volumetric rates:

EB-2009-0232	EB-2010-0093	EB-2011-0176	EB-2012-0139	EB-2013-0144
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#	Initiative	Results Status	Net Incremental Peak Demand Savings (kW)	Net Incremental Energy Savings (kWh)	Rate Allocation for LRAMVA								
			2011 kW Saved	2011 kWh Saved	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	Total
	Consumer Program												
1	Appliance Retirement	Verified	14	100,309	100%								100%
2	Appliance Exchange	Verified	2	2,387									100%
3	HVAC Incentives	Verified	58	113,459									100%
4	Conservation Instant Coupon Booklet	Verified	5	78,462									100%
5	Bi-Annual Retailer Event	Verified	7	116,108									100%
6	Retailer Co-op	Verified	0	0									0%
7	Residential Demand Response	Verified	130	338	100%								100%
8	Residential New Construction	Verified	0	0	0%								0%
	Business Program												
9	Retrofit	Verified	0	44,014		100%	0%						100%
10	Direct Install Lighting	Verified	14	35,938									100%
11	Building Commissioning	Verified											0%
12	New Construction	Verified											0%
13	Energy Audit	Verified											0%
14	Commercial Demand Response (part of resid	Verified	3	12									100%
15	Demand Response 3	Verified			100%							100%	
	Industrial Program												
16	Process & System Upgrades	Verified											0%
17	Monitoring & Targeting	Verified											0%
18	Energy Manager	Verified											0%
19	Retrofit	Verified											0%
20	Demand Response 3	Verified											100%
	Home Assistance Program												
21	Home Assistance Program	Verified			100%								100%
	Pre-2011 Programs completed in 2011												
22	Electricity Retrofit Incentive Program	Verified	29	481		100%	0%						100%
23	High Performance New Construction	Verified	13	64,386									100%
24	Toronto Comprehensive	Verified											0%
25	Multifamily Energy Efficiency Rebates	Verified											0%
	Total kWh		275	555,894	411,063	144,831	0	0	0	0	0		555,894
12	Total GS > 50 kW excluding Demand Response 3						0	0	0	0	0		0
5	Demand Response Total (Scenario 1)		0	0			0	0	0	0	0		0
	OPA-Contracted LDC Portfolio Total		275	555,894									
	Rate				\$0.0186	\$0.0087	\$3.0111	\$0.0393	\$32.1130	\$34.2758	\$0.0000		
	Lost Revenue in 2011				\$7,646	\$1,265	\$0	\$0	\$0	\$0	\$0		\$8,911
	2011 Savings Persisting in 2012				411,063	144,831	0	0	0	0	0		
	2011 Savings Persisting in 2013				411,063	144,831	0	0	0	0	0		
	2011 Savings Persisting in 2014				342,553	120,693	0	0	0	0	0		

#	Initiative	Results Status	Net Incremental Peak Demand Savings (kW)	Net Incremental Energy Savings (kWh)	Rate Allocation for LRAMVA								
			2012 kW Saved	2012 kWh Saved	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	Total
Consumer Program													
1	Appliance Retirement	Verified	5	38,037	100%								100%
2	Appliance Exchange	Verified	1	1,178									100%
3	HVAC Incentives	Verified	46	81,926									100%
4	Conservation Instant Coupon Booklet	Verified	1	5,524									100%
5	Bi-Annual Retailer Event	Verified	6	105,813									100%
6	Retailer Co-op	Verified											100%
7	Residential Demand Response (switch/pstat)	Verified											100%
8	Residential Demand Response (IHD)	Verified											100%
9	Residential New Construction	Verified											100%
2011 True-up (Verified Errors & Omissions)													
3a	HVAC Incentives	True-Up	-9	7,220	100%								100%
4a	Conservation Instant Coupon Booklet	True-Up			100%								100%
5a	Bi-Annual Retailer Event	True-Up			100%								100%
Business Program													
10	Retrofit	Verified	37	221,113		20% 100%	80%						100%
11	Direct Install Lighting	Verified	23	88,865									100%
12	Building Commissioning	Verified											0%
13	New Construction	Verified											0%
14	Energy Audit	Verified											0%
15	Small Commercial Demand Response (switch)	Verified											0%
16	Small Commercial Demand Response (IHD)	Verified											0%
17	Demand Response 3	Verified											100%
2011 True-up (Verified Errors & Omissions)													
11a	Direct Install Lighting	True-Up			100%								100%
Industrial Program													
18	Process & System Upgrades	Verified											0%
19	Monitoring & Targeting	Verified											0%
20	Energy Manager	Verified											0%
21	Retrofit	Verified											0%
22	Demand Response 3	Verified											100%
Home Assistance Program													
23	Home Assistance Program	Verified	8	58,650	100%								100%
Pre-2011 Programs completed in 2011													
24	Electricity Retrofit Incentive Program	Verified					100%						100%
25	High Performance New Construction	Verified		433									100%
26	Toronto Comprehensive	Verified											0%
27	Multifamily Energy Efficiency Rebates	Verified											0%
28	LDC Custom Programs	Verified											0%
2011 True-up (Verified Errors & Omissions)													
22a	High Performance New Construction	True-Up					100%						100%

	Other											
29	Program Enabled Savings	Verified										0%
30	Time-of-Use Savings	Verified										0%
	Total kWh		118	608,759	298,348	133,088	177,323	0	0	0	0	608,759
12	Total GS > 50 kW excluding Demand Response 3						355	0	0	0	0	355
5	Demand Response Total (Scenario 1)		0	0			0	0	0	0	0	0
	OPA-Contracted LDC Portfolio Total		118	608,759								
	Rate				\$0.0187	\$0.0086	\$2.9664	\$0.0395	\$34.6939	\$37.1976	\$0.0000	
	Lost Revenue in 2012 from 2012				\$5,589	\$1,140	\$1,054	\$0	\$0	\$0	\$0	\$7,783
	Lost Revenue in 2012 from 2011				\$7,701	\$1,241	\$0	\$0	\$0	\$0	\$0	\$8,941
	Total Lost Revenue in 2012				\$13,290	\$2,381	\$1,054	\$0	\$0	\$0	\$0	\$16,724
	2012 Savings Persisting in 2013				298,348	133,088	355	0	0	0	0	
	2012 Savings Persisting in 2014				298,348	133,088	355	0	0	0	0	



**Table 10: Allocation of Program Savings Across Rate Classes
2013**



#	Initiative	Results Status	Net Incremental Peak Demand Savings (kW)	Net Incremental Energy Savings (kWh)	Rate Allocation for LRAMVA										
			2013 kW Saved	2013 kWh Saved	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	Total		
	Consumer Program														
1	Appliance Retirement	Verified	3	19,120	100%								100%		
2	Appliance Exchange	Verified	4	7,019	100%								100%		
3	HVAC Incentives	Verified	46	83,619	100%								100%		
4	Conservation Instant Coupon Booklet	Verified	2	30,452	100%								100%		
5	Bi-Annual Retailer Event	Verified	5	67,876	100%								100%		
6	Retailer Co-op	Verified			100%								100%		
7	Residential Demand Response (switch/pstat)	Verified			100%								100%		
8	Residential Demand Response (IHD)	Verified			100%								100%		
9	Residential New Construction	Verified			100%								100%		
	2012 True-up (Verified Errors & Omissions)														
	HVAC Incentives	True-up	-9	7,220	100%										
		True-up													
		True-up													
	Business Program														
10	Retrofit	Verified	53	282,136		20% 100%	80%						100%		
11	Direct Install Lighting	Verified	29	116,579									100%		
12	Building Commissioning	Verified											0%		
13	New Construction	Verified											0%		
14	Energy Audit	Verified											0%		
15	Small Commercial Demand Response (switch/pstat)	Verified											0%		
16	Small Commercial Demand Response (IHD)	Verified											0%		
17	Demand Response 3	Verified	166	2,828									0%	100%	100%
	2012 True-up (Verified Errors & Omissions)														
	Retrofit	True-up	47	229,344									20%	80%	
		True-up													
		True-up													
	Industrial Program														
18	Process & System Upgrades	Verified				50%	50%						0%		
19	Monitoring & Targeting	Verified											0%		
20	Energy Manager	Verified	149	356,400									100%		
21	Retrofit	Verified											0%		
22	Demand Response 3	Verified	166	3,780									100%		
	2012 True-up (Verified Errors & Omissions)														
		True-up													
	Home Assistance Program														
23	Home Assistance Program	Verified	18	99,879	100%								100%		
	2012 True-up (Verified Errors & Omissions)														
		True-up													

	Pre-2011 Programs completed in 2011											
24	Electricity Retrofit Incentive Program	Verified					100%					100%
25	High Performance New Construction	Verified					100%					100%
26	Toronto Comprehensive	Verified										0%
27	Multifamily Energy Efficiency Rebates	Verified										0%
28	LDC Custom Programs	Verified										0%
	2012 True-up (Verified Errors & Omissions)											
		True-up										
	Other											
29	Program Enabled Savings	Verified										0%
30	Time-of-Use Savings	Verified										0%
	Total kWh		309	1,063,080	315,185	218,875	415,792	0	0	0	0	949,852
12	Total GS > 50 kW excluding Demand Response 3						509	0	0	0	0	509
5	Demand Response Total (Scenario 1)		332	6,608			1,660	0	0	0	0	1,660
	OPA-Contracted LDC Portfolio Total		641	1,069,688								
	Rate				\$0.0178	\$0.0080	\$2.9773	\$0.0170	\$48.7891	\$37.8268	\$0.0000	
	Lost Revenue in 2013 from 2013				\$5,610	\$1,751	\$6,457	\$0	\$0	\$0	\$0	\$13,818
	Lost Revenue in 2013 from 2012				\$5,311	\$1,065	\$1,058	\$0	\$0	\$0	\$0	\$7,433
	Lost Revenue in 2013 from 2011				\$7,317	\$1,159	\$0	\$0	\$0	\$0	\$0	\$8,476
	Total Lost Revenue in 2013				\$18,238	\$3,974	\$7,515	\$0	\$0	\$0	\$0	\$29,727
	2013 Savings Persisting in 2014				315,185	218,875	218	0	0	0	0	



**Table 11: Allocation of Program Savings Across Rate Classes
2014**



#	Initiative	Results Status	Net Incremental Peak Demand Savings (kW)	Net Incremental Energy Savings (kWh)	Rate Allocation for LRAMVA								
			2014 kW Saved	2014 kWh Saved	Residential	General Service < 50 kW	General Service > 50 to 4999 kW	Unmetered Scattered Load	Sentinel Lighting	Street Lighting	other	other	Total
	Consumer Program												
1	Appliance Retirement	Verified	2	14,856	100%								100%
2	Appliance Exchange	Verified	4	6,650	100%								100%
3	HVAC Incentives	Verified	52	96,392	100%								100%
4	Conservation Instant Coupon Booklet	Verified	8	111,610	100%								100%
5	Bi-Annual Retailer Event	Verified	32	485,581	100%								100%
6	Retailer Co-op	Verified	0	0	100%								100%
7	Residential Demand Response (switch/pstat	Verified	28	0	100%								100%
8	Residential Demand Response (IHD)	Verified			100%								100%
9	Residential New Construction	Verified			100%								100%
	Business Program												
10	Retrofit	Verified	32	178,737	%	20% 100%	80%						100%
11	Direct Install Lighting	Verified	55	220,025									100%
12	Building Commissioning	Verified											0%
13	New Construction	Verified	5	24,230									0%
14	Energy Audit	Verified											0%
15	Small Commercial Demand Response (switch/pstat	Verified	3										0%
16	Small Commercial Demand Response (IHD)	Verified			0%							0%	
17	Demand Response 3	Verified	230			100%							100%
	Industrial Program												
18	Process & System Upgrades	Verified											0%
19	Monitoring & Targeting	Verified											0%
20	Energy Manager	Verified											0%
21	Retrofit	Verified											0%
22	Demand Response 3	Verified	175										100%
	Home Assistance Program												
23	Home Assistance Program	Verified	1	8,791	100%								100%
	Pre-2011 Programs completed in 2011												
24	Electricity Retrofit Incentive Program	Verified					100% 100%						100%
25	High Performance New Construction	Verified											100%
26	Toronto Comprehensive	Verified											0%
27	Multifamily Energy Efficiency Rebates	Verified											0%
28	LDC Custom Programs	Verified											0%
	Other												
29	Program Enabled Savings	Verified			80%	20%							0%
30	Time-of-Use Savings	Verified	103										100%
	Total kWh		294	1,146,872	723,880	255,772	142,990						1,122,642
12	Total GS > 50 kW excluding Demand Response 3						307						307
5	Demand Response Total (Scenario 1)		436	0			2,025						2,025
	OPA-Contracted LDC Portfolio Total		730	1,146,872									

	Rate			\$0.0180	\$0.0081	\$3.0190	\$0.0172	\$49.4721	\$38.3564	\$0.0000		
	Lost Revenue in 2014 from 2014			\$13,030	\$2,072	\$7,041	\$0	\$0	\$0	\$0		\$22,143
	Lost Revenue in 2014 from 2013			\$5,673	\$1,773	\$658	\$0	\$0	\$0	\$0		\$8,105
	Lost Revenue in 2014 from 2012			\$5,370	\$1,078	\$1,072	\$0	\$0	\$0	\$0		\$7,521
	Lost Revenue in 2014 from 2011			\$6,166	\$978	\$0	\$0	\$0	\$0	\$0		\$7,144
	Total Lost Revenue in 2014			\$30,239	\$5,900	\$8,772	\$0	\$0	\$0	\$0		\$44,911



Progress Towards CDM Targets

Results are attributed to target using current OPA 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. Please see methodology tab for more detailed information.

Table 12: Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual			
	2011	2012	2013	2014
2011 - Verified	0.3	0.1	0.1	0.1
2012 - Verified	0	0.1	0.1	0.1
2013	0	0	0.7	0.3
2014				
Verified Net Annual Peak Demand Savings Persisting in 2014:				0.5
2011-2014 CDM Capacity Target				2.5
Verified Portion of Peak Demand Savings Target Achieved in 2014(%):				20.0%

Persistence Factor (MW)				
2011		0.33	0.33	0.33
2012			1.00	1.00
2013				0.43

Table 13: Net Energy Savings at the End User Level (GWh)

Implementation Period	Annual				Cumulative 2011-2014
	2011	2012	2013	2014	
2011 - Verified	0.6	0.6	0.6	0.5	2.2
2012 - Verified	0.0	0.6	0.6	0.6	1.8
2013	0	0.2	1.3	1.3	2.8
2014				1.0	1.0
Verified Net Cumulative Energy Savings 2011-2014:					7.8
2011-2014 CDM Energy Target					9.2
Verified Portion of Cumulative Energy Target Achieved (%):					84.8%

Persistence Factor (GWh)				
2011		1.00	1.00	0.83
2012			1.00	1.00
2013				1.00

Tables 12 and 13 show Scenario 1 savings which should match the savings values in LDC - Results tab of most recent OPA Final Verified Results

'2012 - Verified' row explanation:

2011 col. - values don't change after 2011, any true-ups for 2011 are rolled up into later years

2012 col. - values include savings from 2012 DR and EE projects in 2012, 2011 true-up in 2012 and 2011 true-up in 2011 (this shouldn't really go here, but since the 2011 col. is fixed, we need to capture the persistence of 2011 true-up in 2011, in the 2012 col.)

2013 col. - values include savings from 2012 DR and EE projects in 2013 and 2011 true-up in 2013

2014 col. - values include savings from 2012 DR and EE projects in 2014 and 2011 true-up in 2014

1 **APPENDIX D: 2014 FINAL RESULTS IESO**

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3



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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

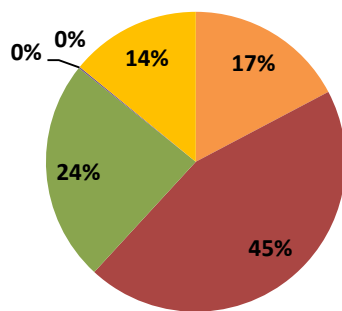
LDC: InnPower Corporation

Final 2014 Achievement Against Targets	2014 Incremental	2011-2014	
		Achievement Against Target	% of Target Achieved
Net Annual Peak Demand Savings (MW)	0.7	1.2	49.3%
Net Energy Savings (GWh)	1.0	7.8	84.4%

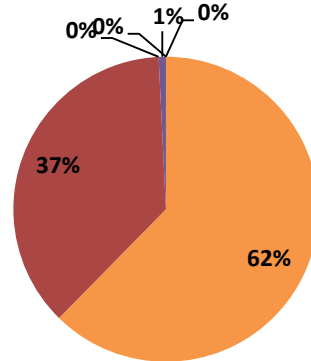
Unless otherwise noted, results are presented using scenario 1 which assumes that demand response resources have a persistence of 1 year

Achievement by Sector

2014 Incremental Peak Demand Savings (MW)



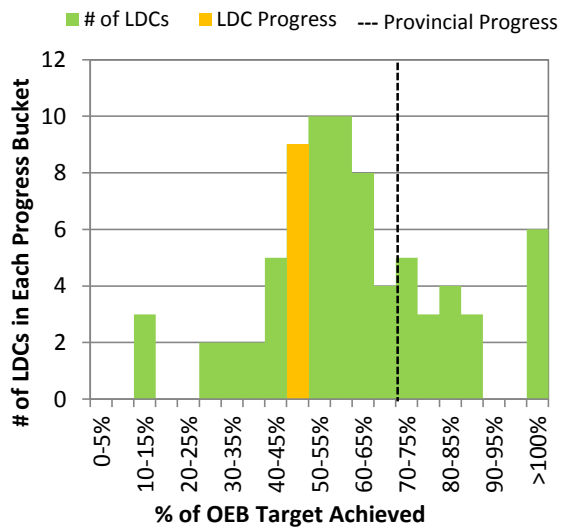
2014 Incremental Energy Savings (GWh)



Consumer Business Industrial HAP ACP Other

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

% of OEB Peak Demand Savings Target Achieved



% of OEB Energy Savings Target Achieved

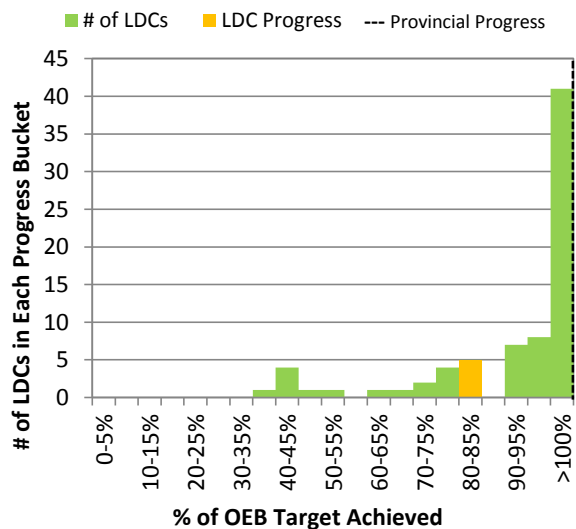


Table 1: InnPower Corporation Initiative and Program Level Net Savings by Year

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)
Consumer Program															
Appliance Retirement	Appliances	250	94	49	35	14	5	3	2	100,309	38,037	19,120	14,856	24	568,038
Appliance Exchange	Appliances	17	5	19	18	2	1	4	4	2,387	1,178	7,019	6,650	9	32,933
HVAC Incentives	Equipment	133	192	219	248	58	46	46	52	113,459	81,926	83,619	96,392	202	963,244
Conservation Instant Coupon Booklet	Items	2,128	122	1,375	4,092	5	1	2	8	78,462	5,524	30,452	111,610	16	502,933
Bi-Annual Retailer Event	Items	3,762	4,192	3,733	19,062	7	6	5	32	116,108	105,813	67,876	485,581	49	1,403,204
Retailer Co-op	Items	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	233	0	0	62	130	0	0	28	338	0	0	0	28	338
Residential Demand Response (IHD)	Devices	0	0	0	35	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						216	58	60	126	411,063	232,478	208,086	715,088	329	3,470,690
Business Program															
Retrofit	Projects	1	10	18	16	0	37	53	32	44,014	221,113	282,136	178,737	121	1,581,022
Direct Install Lighting	Projects	11	25	30	54	14	23	29	55	35,938	88,865	116,579	220,025	116	845,103
Building Commissioning	Buildings	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Construction	Buildings	0	0	0	3	0	0	0	5	0	0	0	24,230	5	24,230
Energy Audit	Audits	2	0	0	0	0	0	0	0	0	0	0	0	0	0
Small Commercial Demand Response	Devices	5	0	0	4	3	0	0	3	12	0	0	0	3	12
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	2	3	0	0	166	230	0	0	2,828	0	230	2,828
Business Program Total						17	60	248	326	79,964	309,977	401,542	422,993	475	2,453,196
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	3	0	0	0	149	0	0	0	356,400	0	68	712,800
Retrofit	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	1	1	1	0	0	166	175	0	0	3,780	0	175	3,780
Industrial Program Total						0	0	315	175	0	0	360,180	0	243	716,580
Home Assistance Program															
Home Assistance Program	Homes	0	53	101	13	0	8	18	1	0	58,650	99,879	8,791	27	382,682
Home Assistance Program Total						0	8	18	1	0	58,650	99,879	8,791	27	382,682
Aboriginal Program															
Home Assistance Program	Homes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	1	0	0	0	29	0	0	0	481	0	0	0	29	1,926
High Performance New Construction	Projects	1	0	0	0	13	0	0	0	64,386	433	0	0	13	258,843
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						41	0	0	0	64,868	433	0	0	42	260,769
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	103	0	0	0	0	103	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Total						0	0	0	103	0	0	0	0	103	0
Adjustments to 2011 Verified Results															
Adjustments to 2012 Verified Results															
Adjustments to 2013 Verified Results															
Energy Efficiency Total						141	127	309	295	555,545	601,538	1,063,080	1,146,872	782	7,276,959
Demand Response Total (Scenario 1)						134	0	332	436	350	0	6,608	0	436	6,958
Adjustments to Previous Years' Verified Results Total						0	-9	47	-25	0	7,220	229,344	-131,361	13	483,225
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						275	118	688	706	555,895	608,758	1,299,033	1,015,511	1,232	7,767,142
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														2,500	
Results presented using scenario 1 which assumes that demand response resources have a persistence of 1 year														9,200,000	
% of Full OEB Target Achieved to Date (Scenario 1):														49.3%	
														84.4%	

Table 2: Adjustments to InnPower Corporation Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh)
														2014	2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-54	2	13		-15	1	3		-27,332	1,136	5,461		-11	-94,996
Conservation Instant Coupon Booklet	Items	32	0	4		0	0	0		1,089	0	93		0	4,542
Bi-Annual Retailer Event	Items	323	0	0		0	0	0		8,626	0	0		0	34,506
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	0	0	0		0	0	0		0	0	0		0	0
Consumer Program Total						-14	1	3		-17,616	1,136	5,554		-11	-55,948
Business Program															
Retrofit	Projects	0	9	2		0	47	2		0	228,208	3,056		48	690,735
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	0	0	0		0	0	0		0	0	0		0	0
Energy Audit	Audits	1	0	0		5	0	0		26,398	0	0		5	105,593
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						5	47	2		26,398	228,208	3,056		54	796,328
Industrial Program															
Process & System Upgrades	Projects	0	0	0		0	0	0		0	0	0		0	0
Monitoring & Targeting	Projects	0	0	0		0	0	0		0	0	0		0	0
Energy Manager	Projects	0	0	-5		0	0	-115		0	0	-171,000		-34	-342,000
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	-115		0	0	-171,000		-34	-342,000
Home Assistance Program															
Home Assistance Program	Homes	0	21	4		0	3	1		0	26,221	3,957		4	86,207
Home Assistance Program Total						0	3	1		0	26,221	3,957		4	86,207
Aboriginal Program															
Home Assistance Program	Homes	0	0	0		0	0	0		0	0	0		0	0
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0		0	0	0		0	0
High Performance New Construction	Projects	0	0	0		0	0	0		-340	0	0		0	-1,362
Toronto Comprehensive	Projects	0	0	0		0	0	0		0	0	0		0	0
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						0	0	0		-340	0	0		0	-1,362
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						-9				8,442				-9	33,767
Adjustments to 2012 Verified Results							51				255,565			51	766,326
Adjustments to 2013 Verified Results								-109				-158,434		-28	-316,868
Total Adjustments to Previous Years' Verified Results						-9	51	-109		8,442	255,565	-158,434		13	483,225

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

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 3: InnPower Corporation Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	n/a	n/a	0.51	0.47	0.42	0.42	1.00	1.00	n/a	n/a	0.51	0.47	0.44	0.44
Appliance Exchange	1.00	n/a	1.00	1.00	0.52	n/a	0.53	0.53	1.00	n/a	1.00	1.00	0.52	n/a	0.53	0.53
HVAC Incentives	1.00	n/a	n/a	1.00	0.60	n/a	0.48	0.51	1.00	n/a	n/a	1.00	0.60	n/a	0.48	0.51
Conservation Instant Coupon Booklet	1.00	n/a	1.00	1.00	1.14	n/a	1.11	1.70	1.00	n/a	1.00	1.00	1.11	n/a	1.13	1.73
Bi-Annual Retailer Event	1.00	n/a	1.00	1.00	1.13	n/a	1.04	1.74	1.00	n/a	1.00	1.00	1.10	n/a	1.04	1.75
Retailer Co-op	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Business Program																
Retrofit	n/a	n/a	0.89	0.69	n/a	n/a	0.73	0.70	n/a	n/a	1.00	0.79	n/a	n/a	0.74	0.70
Direct Install Lighting	1.08	n/a	0.81	0.78	0.93	n/a	0.94	0.94	0.90	n/a	0.84	0.83	0.93	n/a	0.94	0.94
Building Commissioning	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
New Construction	n/a	n/a	n/a	0.54	n/a	n/a	n/a	0.54	n/a	n/a	n/a	0.98	n/a	n/a	n/a	0.54
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	0.90	n/a	n/a	n/a	0.90	n/a	n/a	n/a	0.90	n/a	n/a	n/a	0.90	n/a
Retrofit																
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	n/a	n/a	0.04	0.87	n/a	n/a	1.00	1.00	n/a	n/a	0.88	0.76	n/a	n/a	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	n/a	n/a	n/a	0.50	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.50	n/a	n/a	n/a
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	0.1	0.1	0.1
2012 - Verified†	0.0	0.1	0.1	0.1
2013 - Verified†	0.0	0.0	0.7	0.3
2014 - Verified†	0.0	0.0	-0.1	0.7
Verified Net Annual Peak Demand Savings Persisting in 2014:				1.2
InnPower Corporation 2014 Annual CDM Capacity Target:				2.5
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				49.2%

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

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011 - Verified	0.6	0.6	0.6	0.5	2.2
2012 - Verified†	0.0	0.6	0.6	0.6	1.8
2013 - Verified†	0.0	0.2	1.3	1.3	2.8
2014 - Verified†	0.0	0.0	-0.13	1.0	0.9
Verified Net Cumulative Energy Savings 2011-2014:					7.8
InnPower Corporation 2011-2014 Annual CDM Energy Target:					9.2
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					84.4%

†Includes adjustments to previous years' verified results

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

Table 6: Province-Wide Initiatives and Program Level Net Savings by Year (Scenario 1)

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savin ^g s (kWh)
Consumer Program															
Appliance Retirement	Appliances	56,110	34,146	20,952	22,563	3,299	2,011	1,433	1,617	23,005,812	13,424,518	8,713,107	9,497,343	8,221	159,100,415
Appliance Exchange	Appliances	3,688	3,836	5,337	5,685	371	556	1,106	1,178	450,187	974,621	1,971,701	2,100,266	2,973	10,556,192
HVAC Incentives	Equipment	92,748	87,540	96,286	113,002	32,037	19,060	19,552	23,106	59,437,670	32,841,283	33,923,592	42,888,217	93,755	447,009,930
Conservation Instant Coupon Booklet	Items	567,678	30,891	347,946	1,208,108	1,344	230	517	2,440	21,211,537	1,398,202	7,707,573	32,802,537	4,531	137,258,436
Bi-Annual Retailer Event	Items	952,149	1,060,901	944,772	4,824,751	1,681	1,480	1,184	8,043	29,387,468	26,781,674	17,179,841	122,902,769	12,389	355,157,348
Retailer Co-op	Items	152	0	0	0	0	0	0	0	2,652	0	0	0	0	10,607
Residential Demand Response	Devices	19,550	98,388	171,733	241,381	10,947	49,038	93,076	117,513	24,870	359,408	390,303	8,379	117,513	782,960
Residential Demand Response (IHD)	Devices	0	49,689	133,657	188,577	0	0	0	0	0	0	0	0	0	0
Residential New Construction	Homes	27	21	279	2,367	0	2	18	369	743	17,152	163,690	2,330,865	390	2,712,676
Consumer Program Total						49,681	72,377	116,886	154,267	133,520,941	75,796,859	70,049,807	212,530,376	239,772	1,112,588,565
Business Program															
Retrofit	Projects	2,828	6,481	9,746	10,925	24,467	61,147	59,678	70,662	136,002,258	314,922,468	345,346,008	462,903,521	213,493	2,631,401,223
Direct Install Lighting	Projects	20,741	18,691	17,833	23,784	23,724	15,284	18,708	23,419	61,076,701	57,345,798	64,315,558	84,503,302	73,304	604,196,658
Building Commissioning	Buildings	0	0	0	5	0	0	0	988	0	0	0	1,513,377	988	1,513,377
New Construction	Buildings	25	98	158	226	123	764	1,584	6,432	411,717	1,814,721	4,959,266	20,381,204	8,904	37,390,767
Energy Audit	Audits	222	357	589	473	0	1,450	2,811	6,323	0	7,049,351	15,455,795	30,874,399	10,583	82,934,042
Small Commercial Demand Response	Devices	132	294	1,211	3,652	84	187	773	2,116	157	1,068	373	319	2,116	1,916
Small Commercial Demand Response (IHD)	Devices	0	0	378	820	0	0	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	145	151	175	180	16,218	19,389	23,706	23,380	633,421	281,823	346,659	0	23,380	1,261,903
Business Program Total						64,617	98,221	107,261	133,319	198,124,253	381,415,230	430,423,659	600,176,121	332,769	3,358,699,887
Industrial Program															
Process & System Upgrades	Projects	0	0	5	10	0	0	294	9,692	0	0	2,603,764	72,053,255	9,986	77,260,782
Monitoring & Targeting	Projects	0	1	3	5	0	0	0	102	0	0	0	502,517	102	502,517
Energy Manager	Projects	1	132	306	379	0	1,086	3,558	5,191	0	7,372,108	21,994,263	40,436,427	8,384	95,324,998
Retrofit	Projects	433	0	0	0	4,615	0	0	0	28,866,840	0	0	0	4,613	115,462,282
Demand Response 3	Facilities	124	185	281	336	52,484	74,056	162,543	166,082	3,080,737	1,784,712	4,309,160	0	166,082	9,174,609
Industrial Program Total						57,098	75,141	166,395	181,066	31,947,577	9,156,820	28,907,187	112,992,199	189,168	297,725,188
Home Assistance Program															
Home Assistance Program	Homes	46	5,920	29,654	25,424	2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Home Assistance Program Total						2	566	2,361	2,466	39,283	5,442,232	20,987,275	19,582,658	5,370	77,532,571
Aboriginal Program															
Home Assistance Program	Homes	0	0	717	1,125	0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aboriginal Program Total						0	0	267	549	0	0	1,609,393	3,101,207	816	6,319,993
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	2,028	0	0	0	21,662	0	0	0	121,138,219	0	0	0	21,662	484,552,876
High Performance New Construction	Projects	182	73	19	3	5,098	3,251	772	134	26,185,591	11,901,944	3,522,240	688,738	9,255	148,181,415
Toronto Comprehensive	Projects	577	15	4	5	15,805	0	0	281	86,964,886	0	0	2,479,840	16,086	350,339,385
Multifamily Energy Efficiency Rebates	Projects	110	0	0	0	1,981	0	0	0	7,595,683	0	0	0	1,981	30,382,733
LDC Custom Programs	Projects	8	0	0	0	399	0	0	0	1,367,170	0	0	0	399	5,468,679
Pre-2011 Programs completed in 2011 Total						44,945	3,251	772	415	243,251,550	11,901,944	3,522,240	3,168,578	49,382	1,018,925,088
Other															
Program Enabled Savings	Projects	33	71	46	43	0	2,304	3,692	5,500	0	1,188,362	4,075,382	19,035,337	11,496	30,751,187
Time-of-Use Savings	Homes	0	0	0	n/a	0	0	0	54,795	0	0	0	0	54,795	0
LDC Pilots	Projects	0	0	0	1,174	0	0	0	1,170	0	0	0	5,061,522	1,170	5,061,522
Other Total						0	2,304	3,692	61,466	0	1,188,362	4,075,382	24,096,859	67,462	35,812,709
Adjustments to 2011 Verified Results															
Adjustments to 2012 Verified Results															
Adjustments to 2013 Verified Results															
Energy Efficiency Total						136,610	109,191	117,536	224,457	603,144,419	482,474,435	554,528,447	975,639,300	575,647	5,896,382,611
Demand Response Total (Scenario 1)						79,733	142,670	280,099	309,091	3,739,185	2,427,011	5,046,495	8,698	309,091	11,221,389
Adjustments to Previous Years' Verified Results Total															
OPA-Contracted LDC Portfolio Total (inc. Adjustments)						216,343	253,267	404,536	568,578	606,883,604	503,590,526	603,259,163	1,170,833,878	927,745	6,552,993,397
Activity and savings for Demand Response resources for each year represent the savings from all active facilities or devices contracted since January 1, 2011 (reported cumulatively).														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 1 year														6,000,000,000	
% of Full OEB Target Achieved to Date (Scenario 1):														70%	
														109%	

Table 7: Adjustments to Province-Wide Net Verified Results due to Variances

Initiative	Unit	Incremental Activity (new program activity occurring within the specified reporting period)				Net Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Net Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)				Program-to-Date Verified Progress to Target (excludes DR)	
		2011*	2012*	2013*	2014	2011	2012	2013	2014	2011	2012	2013	2014	2014 Net Annual Peak Demand Savings (kW)	2011-2014 Net Cumulative Energy Savings (kWh) 2014
Consumer Program															
Appliance Retirement	Appliances	0	0	0		0	0	0		0	0	0		0	0
Appliance Exchange	Appliances	0	0	0		0	0	0		0	0	0		0	0
HVAC Incentives	Equipment	-18,839	2,319	4,705		-5,270	479	1,037		-9,707,002	955,512	1,838,408		-3,754	-32,284,656
Conservation Instant Coupon Booklet	Items	8,216	0	1,050		16	0	2		275,655	0	23,571		18	1,149,763
BI-Annual Retailer Event	Items	81,817	0	0		108	0	0		2,183,391	0	0		108	8,733,563
Retailer Co-op	Items	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Residential New Construction	Homes	20	2	193		1	1	72		14,667	985	441,938		74	945,497
Consumer Program Total						-5,145	480	1,111		-7,233,290	956,497	2,303,917		-3,555	-21,664,975
Business Program															
Retrofit	Projects	312	876	961		3,208	7,233	11,961		16,266,129	42,498,052	78,146,280		22,056	347,545,386
Direct Install Lighting	Projects	444	197	51		501	204	46		1,250,388	736,541	164,667		620	7,158,143
Building Commissioning	Buildings	0	0	0		0	0	0		0	0	0		0	0
New Construction	Buildings	15	29	72		850	1,304	2,241		3,604,553	4,825,774	8,636,179		4,401	46,187,216
Energy Audit	Audits	119	77	270		604	439	2,383		2,945,189	2,145,367	13,100,635		3,426	44,418,129
Small Commercial Demand Response	Devices	0	0	0		0	0	0		0	0	0		0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Business Program Total						5,162	9,181	16,631		24,066,259	50,205,734	100,047,761		30,503	385,148,444
Industrial Program															
Process & System Upgrades	Projects	0	0	2		0	0	324		0	0	968,659		324	1,937,318
Monitoring & Targeting	Projects	0	1	3		0	0	54		0	528,000	639,348		54	2,862,696
Energy Manager	Projects	1	93	101		27	1,067	2,395		241,515	8,266,841	25,814,853		4,345	81,853,489
Retrofit	Projects	0	0	0		0	0	0		0	0	0		0	0
Demand Response 3	Facilities	0	0	0		0	0	0		0	0	0		0	0
Industrial Program Total						27	1,067	2,774		241,515	8,794,841	27,422,860		4,723	61,215,516
Home Assistance Program															
Home Assistance Program	Homes	0	887	2,898		0	222	791		0	1,316,749	4,321,794		1,009	12,515,300
Home Assistance Program Total						0	222	791		0	1,316,749	4,321,794		1,009	8,581,177
Aboriginal Program															
Home Assistance Program	Homes	0	0	133		0	0	134		0	0	563,715		134	1,127,430
Direct Install Lighting	Projects	0	0	0		0	0	0		0	0	0		0	0
Aboriginal Program Total						0	0	134		0	0	563,715		134	1,127,430
Pre-2011 Programs completed in 2011															
Electricity Retrofit Incentive Program	Projects	12	0	0		138	0	0		545,536	0	0		138	2,182,145
High Performance New Construction	Projects	37	4	15		1,507	363	-184		2,398,941	2,832,533	-993,596		1,686	16,106,171
Toronto Comprehensive	Projects	0	15	4		0	672	185		0	4,523,517	1,324,388		857	16,219,327
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0		0	0	0		0	0
LDC Custom Programs	Projects	0	0	0		0	0	0		0	0	0		0	0
Pre-2011 Programs completed in 2011 Total						1,645	1,035	2		2,944,477	7,356,050	330,792		2,682	11,104,528
Other															
Program Enabled Savings	Projects	33	55	33		1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Time-of-Use Savings	Homes	0	0	0		0	0	0		0	0	0		0	0
LDC Pilots	Projects	0	0	0		0	0	0		0	0	0		0	0
Other Total						1,776	3,712	2,020		7,727,573	11,481,687	10,688,564		7,509	86,732,481
Adjustments to 2011 Verified Results						3,465				27,746,535				3,215	110,143,550
Adjustments to 2012 Verified Results							15,697				80,111,558			15,401	238,780,637
Adjustments to 2013 Verified Results								23,463				145,679,403		24,391	296,465,211
Adjustments to Previous Years' Verified Results Total						3,465	15,697	23,463		27,746,535	80,111,558	145,679,403		43,006	645,389,397

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

Adjustments to previous years' results shown in this table will not align to adjustments shown in Table 1 as the information presented above is presented in the implementation year. Adjustments in Table 1 reflect persisted savings in the year in which that adjustment is verified.

Table 8: Province-Wide Realization Rate & NTG

Initiative	Peak Demand Savings								Energy Savings							
	Realization Rate				Net-to-Gross Ratio				Realization Rate				Net-to-Gross Ratio			
	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program																
Appliance Retirement	1.00	1.00	1.00	1.00	0.51	0.46	0.42	0.45	1.00	1.00	1.00	1.00	0.46	0.47	0.44	0.47
Appliance Exchange	1.00	1.00	1.00	1.00	0.51	0.52	0.53	0.53	1.00	1.00	1.00	1.00	0.52	0.52	0.53	0.53
HVAC Incentives	1.00	1.00	1.00	1.00	0.60	0.50	0.48	0.48	1.00	1.00	1.00	1.00	0.50	0.49	0.48	0.48
Conservation Instant Coupon Booklet	1.00	1.00	1.00	1.00	1.14	1.00	1.11	1.69	1.00	1.00	1.00	1.00	1.00	1.05	1.13	1.73
Bi-Annual Retailer Event	1.00	1.00	1.00	1.00	1.12	0.91	1.04	1.74	1.00	1.00	1.00	1.00	0.91	0.92	1.04	1.75
Retailer Co-op	1.00	n/a	n/a	n/a	0.68	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Residential New Construction	1.00	3.65	0.78	1.03	0.41	0.49	0.63	0.63	3.65	7.17	3.09	0.62	0.49	0.49	0.63	0.63
Business Program																
Retrofit	1.06	0.93	0.92	0.84	0.72	0.75	0.73	0.71	0.93	1.05	1.01	0.98	0.75	0.76	0.73	0.72
Direct Install Lighting	1.08	0.69	0.82	0.78	1.08	0.94	0.94	0.94	0.69	0.85	0.84	0.83	0.94	0.94	0.94	0.94
Building Commissioning	n/a	n/a	n/a	1.97	n/a	n/a	n/a	1.00	n/a	n/a	n/a	1.16	n/a	n/a	n/a	1.00
New Construction	0.50	0.98	0.68	0.71	0.50	0.49	0.54	0.54	0.98	0.99	0.76	0.79	0.49	0.49	0.54	0.54
Energy Audit	n/a	n/a	1.02	0.96	n/a	n/a	0.66	0.68	n/a	n/a	0.97	1.00	n/a	n/a	0.66	0.67
Small Commercial Demand Response	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Small Commercial Demand Response (IHD)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Demand Response 3	0.76	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Industrial Program																
Process & System Upgrades	n/a	n/a	0.85	0.96	n/a	n/a	0.94	0.79	n/a	n/a	0.87	0.96	n/a	n/a	0.93	0.80
Monitoring & Targeting	n/a	n/a	n/a	0.59	n/a	n/a	n/a	1.00	n/a	n/a	n/a	0.36	n/a	n/a	n/a	1.00
Energy Manager	n/a	1.16	0.90	0.91	n/a	0.90	0.90	0.90	1.16	1.16	0.90	0.96	0.90	0.90	0.90	0.85
Retrofit	1.11	n/a	n/a	n/a	0.72	n/a	n/a	n/a	0.91	n/a	n/a	n/a	0.75	n/a	n/a	n/a
Demand Response 3	0.84	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Home Assistance Program																
Home Assistance Program	1.00	0.32	0.26	0.49	0.70	1.00	1.00	1.00	0.32	0.99	0.88	0.78	1.00	1.00	1.00	1.00
Aboriginal Program																
Home Assistance Program	n/a	n/a	0.05	0.15	n/a	n/a	1.00	1.00	n/a	n/a	0.95	0.97	n/a	n/a	1.00	1.00
Direct Install Lighting	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Pre-2011 Programs completed in 2011																
Electricity Retrofit Incentive Program	0.80	n/a	n/a	n/a	0.54	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
High Performance New Construction	1.00	1.00	1.00	n/a	0.49	0.50	0.50	0.50	1.00	1.00	1.00	n/a	0.50	0.50	0.50	0.50
Toronto Comprehensive	1.13	n/a	n/a	n/a	0.50	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Multifamily Energy Efficiency Rebates	0.93	n/a	n/a	n/a	0.78	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Custom Programs	1.00	n/a	n/a	n/a	1.00	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Other																
Program Enabled Savings	n/a	1.06	1.00	0.86	n/a	1.00	1.00	1.00	n/a	2.26	1.00	0.98	n/a	1.00	1.00	1.00
Time-of-Use Savings	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
LDC Pilots	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Summary Provincial Progress Towards CDM Targets

Table 9: Province-Wide Net Peak Demand Savings at the End User Level (MW)

Implementation Period	Annual			
	2011	2012	2013	2014
2011	216.3	136.6	135.8	129.0
2012†	1.4	253.3	109.8	108.2
2013†	0.6	7.0	404.5	122.0
2014†	1.4	10.8	34.2	568.6
Verified Net Annual Peak Demand Savings in 2014:				927.7
2014 Annual CDM Capacity Target:				1,330
Verified Portion of Peak Demand Savings Target Achieved in 2014 (%):				69.8%

Table 10: Province-Wide Net Energy Savings at the End-User Level (GWh)

Implementation Period	Annual				Cumulative
	2011	2012	2013	2014	2011-2014
2011	606.9	603.0	601.0	582.3	2,393.1
2012†	18.7	503.6	498.4	492.6	1,513.3
2013†	1.7	44.4	603.3	583.4	1,232.8
2014†	7.3	44.8	191.0	1,170.8	1,413.9
Verified Net Cumulative Energy Savings 2011-2014:					6,553.0
2011-2014 Cumulative CDM Energy Target:					6,000
Verified Portion of Cumulative Energy Target Achieved in 2014 (%):					109.2%

†Includes adjustments to previous years' verified results

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

METHODOLOGY

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

EQUATIONS	
Prescriptive Measures and Projects	Gross Savings = Activity * Per Unit Assumption Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Engineered and Custom Projects	Gross Savings = Reported Savings * Realization Rate Net Savings = Gross Savings * Net-to-Gross Ratio All savings are annualized (i.e. the savings are the same regardless of time of year a project was completed or measure installed)
Demand Response	Peak Demand: Gross Savings = Net Savings = contracted MW at contributor level * Provincial contracted to ex ante ratio Energy: Gross Savings = Net Savings = provincial ex post energy savings * LDC proportion of total provincial contracted MW All savings are annualized (i.e. the savings are the same regardless of the time of year a participant began offering DR)
Adjustments to Previous Years' Verified Results	All variances from the Final Annual Results Reports from prior years will be adjusted within this report. Any variances with regards to projects counts, data lag, and calculations etc., will be made within this report. Considers the cumulative effect of energy savings.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Consumer Program			
Appliance Retirement	Includes both retail and home pickup stream. Retail stream allocated based on average of 2008 & 2009 residential throughput; Home pickup stream directly attributed by postal code or customer selection.	Savings are considered to begin in the year the appliance is picked up.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Appliance Exchange	When postal code information is provided by customer, results are directly attributed to the LDC. When postal code is not available, results allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year that the exchange event occurred.	
HVAC Incentives	Results directly attributed to LDC based on customer postal code.	Savings are considered to begin in the year that the installation occurred.	

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Conservation Instant Coupon Booklet	LDC-coded coupons directly attributed to LDC. Otherwise results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the coupon was redeemed.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Bi-Annual Retailer Event	Results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year in which the event occurs.	
Retailer Co-op	When postal code information is provided by the customer, results are directly attributed. If postal code information is not available, results are allocated based on average of 2008 & 2009 residential throughput.	Savings are considered to begin in the year of the home visit and installation date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Residential Demand Response	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists.	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year and accounts for any "snapback" in energy consumption experienced after the event. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Residential New Construction	Results are directly attributed to LDC based on LDC identified in application in the iCon system. Initiative was not evaluated in 2011, reported results are presented with forecast assumptions as per the business case.	Savings are considered to begin in the year of the project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumption multiplied by the uptake in the market (gross) taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Business Program			
Efficiency: Equipment Replacement	Results are directly attributed to LDC based on LDC identified at the facility level in the iCon system. Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see page for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date in the iCON system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
	Additional Note: project counts were derived by filtering out invalid statuses (e.g. Post-Project Submission - Payment denied by LDC) and only including projects with an "Actual Project Completion Date" in 2014)		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Direct Installed Lighting	Results are directly attributed to LDC based on the LDC specified on the work order.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined using the verified measure level per unit assumptions multiplied by the uptake of each measure accounting for the realization rate for both peak demand and energy to reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings take into account net-to-gross factors such as free-ridership and spillover for both peak demand and energy savings at the program level (net).
Existing Building Commissioning Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	Peak demand and energy savings are determined by the total savings for a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
New Construction and Major Renovation Incentive	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the actual project completion date.	
Energy Audit	Projects are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year of the audit date.	Peak demand and energy savings are determined by the total savings resulting from an audit as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Commercial Demand Response (part of the Residential program schedule)	Results are directly attributed to LDC based on data provided to IESO through project completion reports and continuing participant lists	Savings are considered to begin in the year the device was installed and/or when a customer signed a peaksaver PLUS™ participant agreement.	Peak demand savings are based on an ex ante estimate assuming a 1 in 10 weather year and represents the "insurance value" of the initiative. Energy savings are based on an ex post estimate which reflects the savings that occurred as a result of activations in the year. Savings are assumed to persist for only 1 year, reflecting that savings will only occur if the resource is activated.
Demand Response 3 (part of the Industrial program schedule)	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.
Industrial Program			
Process & System Upgrades	Results are directly attributed to LDC based on LDC identified in application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Monitoring & Targeting	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the incentive project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).
Energy Manager	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the project was completed by the energy manager. If no date is specified the savings will begin the year of the Quarterly Report submitted by the energy manager.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net).

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Efficiency: Equipment Replacement Incentive (part of the C&I program schedule)	Results are directly attributed to LDC based on LDC identified at the facility level in the saveONenergy CRM; Projects in the Application Status: "Post-Stage Submission" are included (excluding "Payment denied by LDC"); Please see "Reference Tables" tab for Building type to Sector mapping.	Savings are considered to begin in the year of the actual project completion date on the iCON CRM system.	Peak demand and energy savings are determined by the total savings for a given project as reported in the iCON CRM system (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). Both realization rate and net-to-gross ratios can differ for energy and demand savings and depend on the mix of projects within an LDC territory (i.e. lighting or non-lighting project, engineered/custom/prescriptive track).
Demand Response 3	Results are attributed to LDCs based on the total contracted megawatts at the contributor level as of December 31st, applying the provincial ex ante to contracted ratio (ex ante estimate/contracted megawatts); Ex post energy savings are attributed to the LDC based on their proportion of the total contracted megawatts at the contributor level.	Savings are considered to begin in the year in which the contributor signed up to participate in demand response.	Peak demand savings are ex ante estimates based on the load reduction capability that can be expected for the purposes of planning. The ex ante estimates factor in both scheduled non-performances (i.e. maintenance) and historical performance. Energy savings are based on an ex post estimate which reflects the savings that actually occurred as a results of activations in the year. Savings are assumed to persist for 1 year, reflecting that savings will not occur if the resource is not activated and additional costs are incurred to activate the resource.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Home Assistance Program			
Home Assistance Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.
Aboriginal Program			
Aboriginal Program	Results are directly attributed to LDC based on LDC identified in the application.	Savings are considered to begin in the year in which the measures were installed.	Peak demand and energy savings are determined using the measure level per unit assumption multiplied by the uptake of each measure (gross), taking into account net-to-gross factors such as free-ridership and spillover (net) at the measure level.

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Pre-2011 Programs completed in 2011			
Electricity Retrofit Incentive Program	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014 assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported. A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
High Performance New Construction	Results are directly attributed to LDC based on customer data provided to the OPA from Enbridge; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	
Toronto Comprehensive	Program run exclusively in Toronto Hydro-Electric System Limited service territory; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.		

Initiative	Attributing Savings to LDCs	Savings 'start' Date	Calculating Resource Savings
Multifamily Energy Efficiency Rebates	Results are directly attributed to LDC based on LDC identified in the application; Initiative was not evaluated in 2011, 2012, 2013 or 2014, assumptions as per 2010 evaluation.	Savings are considered to begin in the year in which a project was completed.	Peak demand and energy savings are determined by the total savings from a given project as reported (reported). A realization rate is applied to the reported savings to ensure that these savings align with EM&V protocols and reflect the savings that were actually realized (i.e. how many light bulbs were actually installed vs. what was reported) (gross). Net savings takes into account net-to-gross factors such as free-ridership and spillover (net). If energy savings are not available, an estimate is made based on the kWh to kW ratio in the provincial results from the 2010 evaluated results (http://www.powerauthority.on.ca/evaluation-measurement-and-verification/evaluation-reports).
Data Centre Incentive Program	Program run exclusively in PowerStream Inc. service territory; Initiative was not evaluated in 2011, assumptions as per 2009 evaluation.		
EnWin Green Suites	Program run exclusively in ENWIN Utilities Ltd. service territory; Initiative was not evaluated in 2011 or 2012, assumptions as per 2010 evaluation.		

Consumer Program Allocation Methodology

Results can be allocated based on average of 2008 & 2009 residential throughput for each LDC (below) when additional information is not available. Source: OEB Yearbook Data 2008 & 2009

Local Distribution Company	Allocation
Algoma Power Inc.	0.2%
Atikokan Hydro Inc.	0.0%
Attawapiskat Power Corporation	0.0%
Bluewater Power Distribution Corporation	0.6%
Brant County Power Inc.	0.2%
Brantford Power Inc.	0.7%
Burlington Hydro Inc.	1.4%
Cambridge and North Dumfries Hydro Inc.	1.0%
Canadian Niagara Power Inc.	0.5%
Centre Wellington Hydro Ltd.	0.1%
Chapleau Public Utilities Corporation	0.0%
COLLUS Power Corporation	0.3%
Cooperative Hydro Embrun Inc.	0.0%
E.L.K. Energy Inc.	0.2%
Enersource Hydro Mississauga Inc.	3.9%
ENTEGRUS	0.6%
ENWIN Utilities Ltd.	1.6%
Erie Thames Powerlines Corporation	0.4%
Espanola Regional Hydro Distribution Corporation	0.1%
Essex Powerlines Corporation	0.7%
Festival Hydro Inc.	0.3%
Fort Albany Power Corporation	0.0%
Fort Frances Power Corporation	0.1%
Greater Sudbury Hydro Inc.	1.0%
Grimsby Power Inc.	0.2%
Guelph Hydro Electric Systems Inc.	0.9%
Haldimand County Hydro Inc.	0.4%
Halton Hills Hydro Inc.	0.5%
Hearst Power Distribution Company Limited	0.1%
Horizon Utilities Corporation	4.0%
Hydro 2000 Inc.	0.0%
Hydro Hawkesbury Inc.	0.1%
Hydro One Brampton Networks Inc.	2.8%
Hydro One Networks Inc.	30.0%
Hydro Ottawa Limited	5.6%
Innisfil Hydro Distribution Systems Limited	0.4%
Kashechewan Power Corporation	0.0%
Kenora Hydro Electric Corporation Ltd.	0.1%
Kingston Hydro Corporation	0.5%
Kitchener-Wilmot Hydro Inc.	1.6%
Lakefront Utilities Inc.	0.2%

Lakeland Power Distribution Ltd.	0.2%
London Hydro Inc.	2.7%
Middlesex Power Distribution Corporation	0.1%
Midland Power Utility Corporation	0.1%
Milton Hydro Distribution Inc.	0.6%
Newmarket - Tay Power Distribution Ltd.	0.7%
Niagara Peninsula Energy Inc.	1.0%
Niagara-on-the-Lake Hydro Inc.	0.2%
Norfolk Power Distribution Inc.	0.3%
North Bay Hydro Distribution Limited	0.5%
Northern Ontario Wires Inc.	0.1%
Oakville Hydro Electricity Distribution Inc.	1.5%
Orangeville Hydro Limited	0.2%
Orillia Power Distribution Corporation	0.3%
Oshawa PUC Networks Inc.	1.2%
Ottawa River Power Corporation	0.2%
Parry Sound Power Corporation	0.1%
Peterborough Distribution Incorporated	0.7%
PowerStream Inc.	6.6%
PUC Distribution Inc.	0.9%
Renfrew Hydro Inc.	0.1%
Rideau St. Lawrence Distribution Inc.	0.1%
Sioux Lookout Hydro Inc.	0.1%
St. Thomas Energy Inc.	0.3%
Thunder Bay Hydro Electricity Distribution Inc.	0.9%
Tillsonburg Hydro Inc.	0.1%
Toronto Hydro-Electric System Limited	12.8%
Veridian Connections Inc.	2.4%
Wasaga Distribution Inc.	0.2%
Waterloo North Hydro Inc.	1.0%
Welland Hydro-Electric System Corp.	0.4%
Wellington North Power Inc.	0.1%
West Coast Huron Energy Inc.	0.1%
Westario Power Inc.	0.5%
Whitby Hydro Electric Corporation	0.9%
Woodstock Hydro Services Inc.	0.3%

Reporting Glossary

Annual: the peak demand or energy savings that occur in a given year (includes resource savings from new program activity and resource savings persisting from previous years).

Cumulative Energy Savings: represents the sum of the annual energy savings that accrue over a defined period (in the context of this report the defined period is 2011 - 2014). This concept does not apply to peak demand savings.

End-User Level: resource savings in this report are measured at the customer level as opposed to the generator level (the difference being line losses).

Free-ridership: the percentage of participants who would have implemented the program measure or practice in the absence of the program.

Incremental: the new resource savings attributable to activity procured in a particular reporting period based on when the savings are considered to 'start'.

Initiative: a Conservation & Demand Management offering focusing on a particular opportunity or customer end-use (i.e. Retrofit, Fridge & Freezer Pickup).

Net-to-Gross Ratio: The ratio of net savings to gross savings, which takes into account factors such as free-ridership and spillover

Net Energy Savings (MWh): energy savings attributable to conservation and demand management activities net of free-riders, etc.

Net Peak Demand Savings (MW): peak demand savings attributable to conservation and demand management activities net of free-riders, etc.

Program: a group of initiatives that target a particular market sector (e.g. Consumer, Industrial).

Realization Rate: A comparison of observed or measured (evaluated) information to original reported savings which is used to adjust the gross savings estimates.

Settlement Account: the grouping of demand response facilities (contributors) into one contractual agreement

Spillover: Reductions in energy consumption and/or demand caused by the presence of the energy efficiency program, beyond the program-related gross savings of the participants. There can be participant and/or non-participant spillover.

Unit: for a specific initiative the relevant type of activity acquired in the market place (i.e. appliances picked up, projects completed, coupons redeemed).

Table 11: InnPower Corporation 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	28	5	7	5	205,896	38,037	40,850	31,504
Appliance Exchange**	Appliances	4	1	7	7	4,632	1,178	13,336	12,634
HVAC Incentives	Equipment	98	0	97	108	190,629	0	176,660	202,882
Conservation Instant Coupon Booklet	Items	4	0	2	5	71,198	0	27,033	64,659
Bi-Annual Retailer Event	Items	6	0	5	18	106,277	0	64,959	277,571
Retailer Co-op	Items	0	0	0	0	0	0	0	0
Residential Demand Response	Devices	130	0	0	28	338	0	0	0
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	0	0	0	0	0	0	0
Consumer Program Total		271	6	118	172	578,970	39,215	322,838	589,251
Business Program									
Retrofit	Projects	0	0	73	47	64,914	0	383,769	261,950
Direct Install Lighting	Projects	13	0	31	59	38,704	0	123,511	233,110
Building Commissioning	Buildings	0	0	0	0	0	0	0	0
New Construction	Buildings	0	0	0	10	0	0	0	44,871
Energy Audit	Audits	0	0	0	0	0	0	0	0
Small Commercial Demand Response	Devices	3	0	0	3	12	0	0	0
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	166	230	0	0	2,828	0
Business Program Total		16	0	270	349	103,630	0	510,108	539,931
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	166	0	0	0	396,000	0
Retrofit	Projects	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	0	0	166	175	0	0	3,780	0
Industrial Program Total		0	0	332	175	0	0	399,780	0
Home Assistance Program									
Home Assistance Program	Homes	0	0	18	1	0	0	99,879	8,791
Home Assistance Program Total		0	0	18	1	0	0	99,879	8,791
Aboriginal Program									
Home Assistance Program	Homes	0	0	0	0	0	0	0	0
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	0	0	0	0	0	0
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	55	0	0	0	926	0	0	0
High Performance New Construction	Projects	25	0	0	0	128,773	0	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		80	0	0	0	129,699	0	0	0
Other									
Program Enabled Savings	Projects	0	0	0	0	0	0	0	0
Time-of-Use Savings	Homes	0	0	0	103	0	0	0	0
LDC Pilots	Projects	0	0	0	0	0	0	0	0
Other Total		0	0	0	103	0	0	0	0
Adjustments to 2011 Verified Results			6	0	0		-10,281	0	1,801
Adjustments to 2012 Verified Results				66	3			302,013	25,851
Adjustments to 2013 Verified Results					-28				-169,970
Energy Efficiency Total		233	6	405	364	811,949	39,215	1,325,998	1,137,973
Demand Response Total		134	0	332	436	350	0	6,608	0
Adjustments to Previous Years' Verified Results Total		0	6	66	-25	0	-10,281	302,013	-142,318
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		367	12	802	775	812,298	28,934	1,634,619	995,655

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

*Includes adjustments after Final Reports were issued

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

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

**Net results substituted for gross results due to unavailability of data

Table 12: Adjustments to InnPower Corporation 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	-25	1	6		-45,846	2,345	11,522	
Conservation Instant Coupon Booklet	Items	0	0	0		1,011	0	82	
Bi-Annual Retailer Event	Items	0	0	0		9,378	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		-24	1	6		-35,457	2,345	11,604	
Business Program									
Retrofit	Projects	0	64	2		0	299,668	4,469	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	0	0	0		0	0	0	
Energy Audit	Audits	5	0	0		25,176	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		5	64	2		25,176	299,668	4,469	
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	-127		0	0	-190,000	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		0	0	-127		0	0	-190,000	
Home Assistance Program									
Home Assistance Program	Homes	0	0	1		0	26,221	3,957	
Home Assistance Program Total		0	0	1		0	26,221	3,957	
Aboriginal Program									
Home Assistance Program	Homes	0	0	0		0	0	0	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	0		0	0	0	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	0	0	0		0	0	0	
High Performance New Construction	Projects	25	0	0		0	0	0	
Toronto Comprehensive	Projects	0	0	0		0	0	0	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		25	0	0		0	0	0	
Other									
Program Enabled Savings	Projects	0	0	0		0	0	0	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		0	0	0		0	0	0	
Adjustments to 2011 Verified Results		6				-10,281			
Adjustments to 2012 Verified Results			66				328,234		
Adjustments to 2013 Verified Results				-118				-169,970	
Total Adjustments to Previous Years' Verified Results		6	66	-118		-10,281	328,234	-169,970	

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

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

Table 13: Province-Wide Initiatives and Program Level Gross Savings by Year

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement**	Appliances	6,750	2,011	3,151	3,579	45,971,627	13,424,518	18,616,239	20,315,770
Appliance Exchange**	Appliances	719	556	2,101	2,238	873,531	974,621	3,746,106	3,990,372
HVAC Incentives	Equipment	53,209	38,346	40,418	48,467	99,413,430	66,929,213	71,225,037	90,274,814
Conservation Instant Coupon Booklet	Items	1,184	231	464	1,442	19,192,453	1,325,898	6,842,244	19,000,254
Bi-Annual Retailer Event	Items	1,504	1,622	1,142	4,626	26,899,265	29,222,072	16,441,329	70,254,471
Retailer Co-op	Items	0	0	0	0	3,917	0	0	0
Residential Demand Response	Devices	10,390	49,038	93,076	117,513	23,597	359,408	390,303	8,379
Residential Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Residential New Construction	Homes	0	1	29	587	1,813	4,884	259,826	3,699,786
Consumer Program Total		73,757	91,805	140,380	178,452	192,379,633	112,240,615	117,521,084	207,543,846
Business Program									
Retrofit	Projects	34,201	78,965	82,896	98,849	184,070,265	387,817,248	478,410,896	642,515,421
Direct Install Lighting	Projects	22,155	20,469	19,807	24,794	65,777,197	68,896,046	68,140,249	89,528,509
Building Commissioning	Buildings	0	0	0	988	0	0	0	1,513,377
New Construction	Buildings	247	1,596	2,934	11,911	823,434	3,755,869	9,183,826	37,742,970
Energy Audit	Audits	0	1,450	4,283	9,367	0	7,049,351	23,386,108	46,012,517
Small Commercial Demand Response	Devices	55	187	773	2,116	131	1,068	373	319
Small Commercial Demand Response (IHD)	Devices	0	0	0	0	0	0	0	0
Demand Response 3	Facilities	21,390	19,389	23,706	23,380	633,421	281,823	346,659	0
Business Program Total		78,048	122,056	134,399	171,405	251,304,448	467,801,406	579,468,111	817,313,113
Industrial Program									
Process & System Upgrades	Projects	0	0	313	12,287	0	0	2,799,746	90,463,617
Monitoring & Targeting	Projects	0	0	0	102	0	0	0	502,517
Energy Manager	Projects	0	1,034	3,953	5,767	0	7,067,535	24,438,070	44,929,364
Retrofit	Projects	6,372	0	0	0	38,412,408	0	0	0
Demand Response 3	Facilities	176,180	74,056	162,543	166,082	4,243,958	1,784,712	4,309,160	0
Industrial Program Total		182,552	75,090	166,809	184,238	42,656,366	8,852,247	31,546,976	135,895,498
Home Assistance Program									
Home Assistance Program	Homes	4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Home Assistance Program Total		4	1,777	2,361	2,466	56,119	5,524,230	20,987,275	19,582,658
Aboriginal Program									
Home Assistance Program	Homes	0	0	267	549	0	0	1,609,393	3,101,207
Direct Install Lighting	Projects	0	0	0	0	0	0	0	0
Aboriginal Program Total		0	0	267	549	0	0	1,609,393	3,101,207
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	40,418	0	0	0	223,956,390	0	0	0
High Performance New Construction	Projects	10,197	6,501	772	268	52,371,183	23,803,888	3,522,240	1,377,475
Toronto Comprehensive	Projects	33,467	0	0	802	174,070,574	0	0	7,085,257
Multifamily Energy Efficiency Rebates	Projects	2,553	0	0	0	9,774,792	0	0	0
LDC Custom Programs	Projects	534	0	0	0	649,140	0	0	0
Pre-2011 Programs completed in 2011 Total		87,169	6,501	772	1,070	460,822,079	23,803,888	3,522,240	8,462,733
Other									
Program Enabled Savings	Projects	0	2,177	3,692	5,500	0	525,011	4,075,382	19,035,337
Time-of-Use Savings	Homes	0	0	0	54,795	0	0	0	0
LDC Pilots	Projects	0	0	0	1,170	0	0	0	5,061,522
Other Total		0	2,177	3,692	60,296	0	525,011	4,075,382	19,035,337
Adjustments to 2011 Verified Results			13,266	645	1,601		48,705,294	20,581	6,028
Adjustments to 2012 Verified Results				8,632	13,449			54,301,893	59,098,939
Adjustments to 2013 Verified Results					34,727				206,413,158
Energy Efficiency Total		213,515	156,735	168,583	289,384	942,317,539	616,320,385	753,683,966	1,210,925,694
Demand Response Total		208,015	142,670	280,099	309,091	4,901,107	2,427,011	5,046,495	8,698
Adjustments to Previous Years' Verified Results Total		0	13,266	9,277	49,777	0	48,705,294	54,322,474	265,518,125
OPA-Contracted LDC Portfolio Total (inc. Adjustments)		421,530	312,671	457,958	648,252	947,218,646	667,452,690	813,052,934	1,476,452,516

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

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

**Net results substituted for gross results due to unavailability of data

Table 14: Adjustments to Province-Wide Gross Verified Results due to Variances

Initiative	Unit	Gross Incremental Peak Demand Savings (kW) (new peak demand savings from activity within the specified reporting period)				Gross Incremental Energy Savings (kWh) (new energy savings from activity within the specified reporting period)			
		2011	2012	2013	2014	2011	2012	2013	2014
Consumer Program									
Appliance Retirement	Appliances	0	0	0		0	0	0	
Appliance Exchange	Appliances	0	0	0		0	0	0	
HVAC Incentives	Equipment	-8,759	1,091	2,157		-16,241,086	1,952,473	3,873,449	
Conservation Instant Coupon Booklet	Items	15	0	1		255,975	0	20,668	
Bi-Annual Retailer Event	Items	117	0	0		2,373,616	0	0	
Retailer Co-op	Items	0	0	0		0	0	0	
Residential Demand Response	Devices	0	0	0		0	0	0	
Residential Demand Response (IHD)	Devices	0	0	0		0	0	0	
Residential New Construction	Homes	1	1	115		330,093	2,009	701,488	
Consumer Program Total		-8,628	1,092	2,273		-13,281,402	1,954,483	4,595,605	
Business Program									
Retrofit	Projects	4,511	10,114	16,584		22,046,931	58,528,789	108,677,566	
Direct Install Lighting	Projects	541	217	49		1,346,618	781,858	174,460	
Building Commissioning	Buildings	0	0	0		0	0	0	
New Construction	Buildings	3,287	2,673	4,151		11,323,593	9,884,305	15,992,924	
Energy Audit	Audits	656	488	3,631		2,391,744	2,386,374	19,822,524	
Small Commercial Demand Response	Devices	0	0	0		0	0	0	
Small Commercial Demand Response (IHD)	Devices	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Business Program Total		8,996	13,491	24,414		37,108,886	71,581,326	144,667,473	
Industrial Program									
Process & System Upgrades	Projects	0	0	426		0	0	1,232,785	
Monitoring & Targeting	Projects	0	0	54		0	528,000	639,348	
Energy Manager	Projects	29	1,071	2,687		0	8,968,007	28,893,596	
Retrofit	Projects	0	0	0		0	0	0	
Demand Response 3	Facilities	0	0	0		0	0	0	
Industrial Program Total		29	1,071	3,168		0	9,496,007	30,765,729	
Home Assistance Program									
Home Assistance Program	Homes	0	222	791		0	1,316,749	4,321,794	
Home Assistance Program Total		0	222	791		0	1,316,749	4,321,794	
Aboriginal Program									
Home Assistance Program	Homes	0	0	134		0	0	563,715	
Direct Install Lighting	Projects	0	0	0		0	0	0	
Aboriginal Program Total		0	0	134		0	0	563,715	
Pre-2011 Programs completed in 2011									
Electricity Retrofit Incentive Program	Projects	266	0	0		1,049,108	0	0	
High Performance New Construction	Projects	13,072	727	405		23,905,663	5,665,066	1,535,048	
Toronto Comprehensive	Projects	0	1,920	529		0	12,924,335	3,783,965	
Multifamily Energy Efficiency Rebates	Projects	0	0	0		0	0	0	
LDC Custom Programs	Projects	0	0	0		0	0	0	
Pre-2011 Programs completed in 2011 Total		13,337	2,647	934		24,954,771	18,589,400	5,319,013	
Other									
Program Enabled Savings	Projects	1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Time-of-Use Savings	Homes	0	0	0		0	0	0	
LDC Pilots	Projects	0	0	0		0	0	0	
Other Total		1,776	3,712	2,020		1,673,712	11,481,687	10,688,564	
Adjustments to 2011 Verified Results		15,511				50,455,967			
Adjustments to 2012 Verified Results			22,235				114,419,652		
Adjustments to 2013 Verified Results				33,734				200,921,892	
Adjustments to Previous Years' Verified Results Total		15,511	22,235	33,734		50,455,967	114,419,652	200,921,892	

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

*Includes adjustments after Final Reports were issued

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

Gross results are presented for informational purposes only and are not considered official 2014 Final Verified Results

1 **APPNEDIX E: PURCHASING POLICY/FINANCIAL POLICIES AND**
2 **PROCEDURES**

3

InnPower Corporation

**Procedure
Number:****Title:** Financial Policies and Procedures**Issued by:** Resolution Number 16-29**Date:** March 21, 2016**Revision Number:****Approved by the Board****Date:** March 21, 2016**Revised:** March 21, 2016

APPLIES TO (Application of Policy)

The Financial Policies and Procedures Policy applies to all members of InnPower's workplace community: employees (full-time, part-time, casual, contract, temporary), Board members and volunteers. All participants in InnPower's workplace community are accountable for complying with the Policy.

PREAMBLE (Policy Statement)

The financial policy prescribes the duties, responsibilities and authorities with regard to the procedures for safeguarding of financial assets including financial record keeping and reporting, approvals, procurement, banking, insurance and capital assets.

1. Duties of the Board of Directors (Board)

- 1.1 The Board shall set all overall goals and objectives for the utility by providing the framework within which InnPower Corporation (IPC) financial priorities are determined. A statement of these goals and objectives, which may be amended by resolution of the Board from time to time, shall take the form of a 'mission statement'.
- 1.2 The Board shall adopt annual operating and capital budgets. These annual budgets shall represent fundamental statements of IPC policies and priorities. These budgets (and in particular the operating budget) shall be recognized as a policy document and an instrument of financial management and control.
- 1.3 The Board shall accept final responsibility for the adequacy of the financial controls established within the utility. Ultimate control shall be exercised by the Board as outlined in AF.1 and amended from time to time by resolution.
- 1.4.1 Board members shall be disqualified from contracting with IPC,
- 1.4.2 The corporation will not provide any financial assistance, whether by loan, guarantee or otherwise, to any Officer of the corporation, without the approval of the Board of Directors.

The corporation will not provide any financial assistance, whether by loan, guarantee or otherwise, to any Director of the corporation, without the approval of the Shareholder.

2. Duties of Officers

- 2.1 The President & Chief Executive Officer (President & CEO) or Board Secretary shall enter or cause to be entered, in books kept for the purpose, minutes of all the proceedings of Board meetings and act as custodian of the stamp or mechanical device generally used for affixing the Corporate Seal of IPC and act as custodian of all books, papers, records, documents and other instruments belonging to IPC and otherwise perform such duties as may, from time to time, be prescribed by the Board.
- 2.2 The Chief Financial Officer/Treasurer (CFO/Treasurer) shall keep, or cause to be kept, full and accurate books of accounts in which shall be recorded all receipts and disbursements of IPC and, under the direction of IPC, shall control the deposit of money, the safekeeping of securities, and the disbursement of funds of IPC. The Treasurer shall render to the Board whenever required an account of all financial transactions and of the financial position of IPC, and shall perform such other duties as, from time to time, prescribed by the President and in compliance with the prudential and reporting requirements of the Ontario Energy Board as prescribed in the Uniform System of Accounts and Accounting Procedures Handbook.

3. Budgets

- 3.1 A budget schedule, as amended from time to time by resolution of the Board, shall be presented to the Board each year. This schedule shall allow for a timely preparation and approval of the following year's estimates of operating and capital expenditures allowing adequate time for public notice of any rate changes required to support the budget. The statutory requirements of the Ontario Energy Board Act, 1998, shall be adhered to in the budgeting process.

4. Personnel

The conditions of employment for union and non-union employees as adopted and amended from time to time by resolution of the Board shall be used for the hiring and firing of employees, for fixing wage and salary ranges and generally for the determination of benefits offered by IPC. Separate contracts/policies will apply to union and non-union employees.

Legal compliance and ethical behaviour is expected from all employees and the Board of Directors, as described in detail in the Company's Code of Conduct policy. Employees are to use proper judgment in accepting gifts and/or awards that arise and are customary through the normal course of business and definitely not during any purchasing procedure. The value of such items should not exceed \$300 in cumulative value from any single source annually. Any cumulative values in excess of \$300 requires written notification and approval by the supervisor. Alleged illegal or unethical behavior will be investigated with a sense of fairness and equity as much as possible. If sensitive issues are encountered where an impartial ombudsperson is required, the HR Manager at the Town of Innisfil can be contacted.

It is understood that during periods of vacation and temporary absences, delegates are empowered to act on behalf of the employees that they are relieving.

5. Approvals

5.1 Cheques

Cheques shall be signed by the President & CEO or in the absence of the President & CEO by a Board member and the CFO/Treasurer of IPC. A facsimile signature plate may be used to affix the signature of the signing authorities. Cheques must be approved for release by the Treasurer or in the absence of the CFO/Treasurer, by the President & CEO.

5.2 Contracts and Agreements

Contracts or agreements for the value less than \$50,000, shall be signed by the President & CEO and the CFO/Treasurer or a Vice President, or the HR Manager & Board Secretary.

Contracts or agreements for the value between \$50,000 and \$100,000, shall be signed by the President & CEO and the CFO/Treasurer or in the absence of the CFO/Treasurer, by a Vice President.

Where the contract or agreement is of significant importance or the annual value exceeds \$100,000, it shall be approved by the Board and signed by the Chairperson or in the absence of the Chairperson by another Board member and the President & CEO, or in the absence of the President & CEO by the CFO/Treasurer.

The CFO/Treasurer will be forwarded a copy of all contracts and agreements for review and financial implications.

5.3 Payroll & Employee Expenses

Time sheet approvals will be required by the immediate supervisor. The reimbursement of employee expenses is covered in detail in the Travel and Entertainment Policy.

5.4 Invoices

5.4.1 Staff are required to receive and inspect all goods and services provided through a Purchase Order, Agreement or Contract with notification to Accounts Payable through the receiving process. Payment is deemed to be authorized if the goods or services have been received as ordered and matches the quantity, price and/or requirements of the Purchase Order, Contract or Agreement.

6. Procurement and Supply

General Conditions

Purchase of goods and services shall be based on quality, price and the performance record of the supplier. Research and references on the supplier are a necessary part of making the award, unless a previous business relationship has been established. All goods and services purchased by, or on behalf of, InnPower must meet applicable legislation and health and safety standards. Applicable health and safety requirements are to be included in the purchasing specifications. Staff will manage bid irregularities as outlined in Schedule A.

6.1 Budgeted Goods or Services

- 6.1.1 Under \$25,000 in Aggregate Value. All management staff will approve purchase orders for such goods and services and shall make the purchases on the best available knowledge of price and quality. Competitive quotes will be obtained from time to time to determine the pricing structures for such goods and services.
- 6.1.2 \$25,000 - \$50,000 in Aggregate Value. The Vice President or CFO/Treasurer, in consultation with the President & CEO, or the President & CEO, will approve purchase orders for such goods and services and will obtain a minimum of three quotes.
- 6.1.3 \$50,000 - \$100,000 in Aggregate Value. The approval process is as contained in 6.1.2 provided that all quotations must be solicited in writing and submitted by a pre-determined deadline in sealed envelopes.
- 6.1.4 Over \$100,000 in Aggregate Value. Tender Bids or RFPs will be solicited by invitation or through a public advertisement. The President & CEO shall supervise the tender or RFP preparation and the awarding process. All tenders or RFPs must be submitted by a deadline in sealed envelopes and must be opened by the President & CEO and a Vice President or the CFO/Treasurer. The President & CEO will review the tender or RFP results in conjunction with the users, and will make recommendations to the Board for their approval.

As an alternative to the Tendering process, a sealed Quotation may be used where approved by the Board. In all other respects, the process is the same other than that the public may not witness the opening or be party to the contents.

- 6.1.5 For items which will exceed budgeted amounts by 25%, Board approval must be obtained. If the overage can be contained within the approved capital budget and is approved by the President & CEO, Board approval shall be obtained not later than the next Board Meeting.
- 6.1.6 Notwithstanding the requirements of sections 6.1.1 through 6.1.4, an allowance is made for pre-approved contractors, designated sole suppliers of certain goods or services and/or ongoing phased projects.

6.2 Non-Budgeted Goods or Services

- 6.2.1 For non-budgeted emergency items only, purchases shall be made by the Vice President or CFO/Treasurer, and approved by the Chairman or President & CEO, based on the guidelines under Budgeted Goods and Services.
- 6.2.2 For non-budgeted projects under \$50,000, approval must be obtained by the Vice President or CFO/Treasurer and President & CEO. For non-budgeted projects over \$50,000, Board approval must be obtained. For any capital expenditure in the amount exceeding \$500,000, save for those specifically provided for in the business plan, Shareholder approval must be obtained.

6.3 Quotations

Purchasing awards shall be based on quotations or tenders or RFPs. Quotations may vary in degree of formality according to the aggregate value of the goods or services as outlined, and amended from time to time by resolution of the Board.

6.4 Tenders / Request for Proposals (RFPs)

Unless otherwise directed by the Board, purchasing awards in excess of \$100,000 shall be based on invited or advertised tenders/RFPs. Invited tenders/RFPs shall be reserved for situations where the group of bidders capable of providing the required goods or services is known and/or supplier selection is limited.

Guidelines for advertising, collecting and opening of tenders/RFPs shall be as outlined, and amended from time to time by resolution of the Board.

6.5 Purchase Orders

Purchase orders shall be based on requisitions approved by management within the scope of its purchasing authority or on a resolution approved by the Board.

Guidelines for preparing and issuing purchase orders shall be as outlined, and amended from time to time by resolution of the Board.

6.6 Contracts and Agreements in value of over \$100,000 annually

Contracts shall further set out the mutual covenants and obligations that are not normally contained on a purchase order. These covenants and obligations shall be as outlined and amended from time to time by resolution of the Board.

6.7 Tie Bids

6.7.1 In the case of a tie of the scores between two Compliant Bidders/Proponents, and where multiple Awards are not possible, IPC shall determine the successful Bidder/Proponent by a coin toss as outlined in the Purchasing Procedures.

6.7.2 In the case of a tie bid of the scores between three or more Compliant Bidders/Proponents, and where multiple awards are not possible, IPC shall determine the successful Bidder/Proponent by a draw of the Bidder's/Proponent's names from a receptacle as outlined in this policy.

6.8 Vendor Performance

6.8.1 Managers are responsible for monitoring and documenting Vendor performance and ensuring compliance with Contracts. Managers shall address performance issues directly with the Vendor to resolve and document all performance issues and acknowledgements related to same.

6.8.2 Purchasing Services shall be advised of Vendor performance issues in writing from the Manager. Purchasing Services will consult with the Manager and Legal Services, where appropriate, to resolve any ongoing and/or escalating or unsatisfactory performance issues. If performance issues cannot be resolved, Purchasing Services may, in consultation with Legal Services, terminate the Contract.

6.8.3 Any Vendor (or its subcontractors) that is involved in unprofessional conduct (the nature of which IPC will be the sole judge), a health and safety violation, criminally charged, or in dispute or litigation of any kind with IPC, IPC or its affiliates may terminate the Contract with that Vendor. That Vendor may also be excluded from bidding at the discretion of Purchasing Services, in consultation with the relevant Manager, and Legal Services where appropriate.

6.9 Alternative Dispute Resolution – Competitive Bid Process Protest

6.9.1 All Vendors dealing with IPC or bidding on potential Contracts shall resolve any and all disputes they have specific to the competitive Bid process through the Alternative Dispute Resolution (ADR) process described in the Call for Bid and shall agree to such process as part of any response to the competitive Bid process.

6.9.2 The Award of any Contract shall not be rescinded or the progress of any project delayed by a request for the use of the ADR unless recommended by the relevant Manager and/or the President & CEO as approved by the Board.

6.9.3 Any Vendor that has asked to participate in the ADR process will be provided with information by Purchasing Services and/or any member of the management team to assist them to understand the Bid process and to assist them to improve their future Bid submissions for IPC.

7. Capital Assets

7.1 It is the joint responsibility of both the President & CEO and the CFO/Treasurer of the Company to ensure that all expenditures for capital assets are properly evaluated and approved.

7.2 Any expenditure under \$1,000 will not be capitalized.

8. Banking

8.1 Banking arrangements shall be reviewed annually.

8.2 Bank reconciliations shall be prepared monthly and reviewed by the CFO/Treasurer.

8.3 All cheques shall be consecutively encoded, and accounted for; all cheques including voided shall be kept on file for seven years. All cash advances shall be balanced daily and all overages and shortfalls shall be recorded daily.

8.4 Initial payroll submissions shall be made to the Payroll administration firm by the appropriate staff member. The Payroll Register will be reviewed and approved by the CFO/Treasurer or in the absence of the CFO/Treasurer, by the President & CEO.

8.5 Initial Electronic Fund Transfers shall be made by the appropriate staff member. The final approval of the Electronic Fund Transfer shall be made by the CFO/Treasurer, or in the absence of the CFO/Treasurer, by the President & CEO.

- 8.6 In situations with extenuating circumstances, other staff members may be used to approve electronic transactions. It is management's intent to maintain a control level where a minimum of two individuals are required to approve transactions.
- 8.7.1 Corporate credit cards shall only be used for legitimate business purposes. The cash advance feature will not be authorized. Monthly statements will require approval by employee's immediate supervisor. The President & CEO's credit card statements will be approved by the CFO/Treasurer and will be subject to annual review by the Auditors. If personal charges are inadvertently made, they will be immediately reimbursed to the company along with any outstanding interest charges.
- 8.7.2 The President & CEO and the CFO/Treasurer shall be the two signing officers with respect to banking transactions.

9. Insurance

Adequate property, vehicle and liability insurance shall be carried at all times. Coverage shall be reviewed annually.

10. Auditors

As directed by the Shareholder, an auditor shall be appointed by the shareholders to audit the financial transactions and statements of the company at the Annual Shareholder General Meeting. The cost of this audit shall be authorized by the Board. The auditor shall report to the Board and the Shareholder within five months after the end of each fiscal year.

The auditor shall also report to the Board and Management, by way of a management letter, if required, on the system and procedures in place and how these affect accuracy in reporting and internal control. This report shall be reviewed and any deficiencies in internal financial controls shall be addressed and corrected.

SCHEDULE A BID IRREGULARITIES

A bid irregularity is a deviation between the requirements (terms, conditions, specifications, special instructions) of a bid request and the information provided in a bid response.

A **"major irregularity"** is a deviation from the bid request that affects the price, quality, quantity or delivery, and is material to the award. If the deviation is permitted, the Bidder/Proponent could gain an unfair advantage over competitors. Purchasing Services shall reject any bid, which contains a major irregularity.

A **"minor irregularity"** is a deviation from the bid request, which affects form, rather than substance. The effect on the price, quality, quantity or delivery is not material to the award. If the deviation is permitted or corrected, the Bidder/Proponent would not gain an unfair advantage over competitors. Purchasing Services in consultation with Legal Services may permit the Bidder/Proponent to correct a minor irregularity.

MATHEMATICAL ERRORS - RECTIFIED BY STAFF

Purchasing Services and/or the service area will correct errors in mathematical extensions and/or taxes, and the unit prices will govern.

ACTION TAKEN:

1. The Bid Review Committee shall be responsible for all action taken in dealing with bid irregularities, and acts in accordance with the nature of the irregularity:
 - ✓ major irregularity (automatic rejection)
 - ✓ minor irregularity (Bidder/Proponent may rectify)
 - ✓ mathematical error (additions or extensions) as above
2. The list of irregularities in this schedule should not be considered all-inclusive. The Bid Review Committee will review minor irregularities not listed and acting in consensus shall have authority to waive other irregularities or grant two (2) business days to initial such irregularities, which they jointly consider to be minor.
3. In the event that the vendor withdraws its bid due to the identification of a major irregularity, InnPower may disqualify such vendor from participating in quotations/tenders/requests for proposals for a period of up to one year.
4. Where a submitter has been given notice of a specified time period to correct an irregularity, the submitter shall be deemed to be in default of the process and, where applicable, the bid deposit shall be forfeited if the correction is not made. The submission will be given no further consideration for award.
5. This Bid Irregularity List shall apply where the irregularity is with respect to a stated requirement of a Formal Call for Bid (RFQ, RFP, and RFT) or Information Gathering Bid (RFEOL, RFI, RFPQ) and where the submission must be received on/before a specified date and time.

ITEM	IRREGULARITY	RESPONSE
GENERAL		
1.	Late Submissions	Automatic rejection and returned unopened to the Bidder/Proponent
2.	Unsealed Envelopes	Automatic rejection
3.	Failure to attend mandatory site visit	Automatic rejection
4.	Partial Submissions (all items not bid on)	Acceptable unless complete submission has been specified in the request.
5.	Conditional Submissions (Submissions qualified, based on a Bidder's/Proponent's condition or restricted by an appended statement)	Rejection unless, in the opinion of the Bid Review Committee, the qualification or restriction is minor and would not adversely affect an award decision and/or the total price
6.	Submissions Containing Minor Obvious Clerical Errors that do not result in any ambiguity with respect to the overall submission and/or award decision	Two (2) business days to correct and initial errors
7.	Submitter has not been previously qualified under a related pre-qualification process, where applicable	Automatic Rejection
8.	More than one submission from the same submitter and not identified as an alternative or optional submission or, no written withdrawal notice has been received	The submission package bearing the most recent date/time stamp will be considered the intended submission and the previously date/time stamped submissions will be considered withdrawn and, returned to the submitter
9.	Failure to include required supplementary copies of the original at time of submission	Two (2) business days to submit
10.	Other Minor Irregularities	The Bid Review Committee shall have the authority to waive irregularities, which are considered minor
11.	Any Irregularity	Despite the provisions herein contained, the Board may waive any irregularity where it considers it to be in the best interest of InnPower
BID DOCUMENTS		
12.	All required sections of the document not completed	Automatic rejection unless, in the consensual opinion of Purchasing Services, Manager in charge of solicitation, and Legal Services, the incomplete nature is trivial or insignificant and does not affect the total price.
13.	Un-initialled changes to the request documents which are minor (e.g.; the Bidder's/Proponent's address is amended by overwriting but not initialled)	Two (2) business days to correct and initial errors. InnPower reserves the right to waive initialling and acceptance of the submission
14.	Incomplete, illegible or obscure submissions or submissions which contain additions not called for, erasures, alterations, or strike-out errors or irregularities of any kind	Automatic rejection; unless the Bid Review Committee deems the irregularity as immaterial and the irregularity is remedied by the Bidder(s)/Proponent(s) – two (2) business days to correct
15.	Submissions not completed in ink or typewritten	Automatic rejection

ITEM	IRREGULARITY	RESPONSE
16.	Submissions not completed in English	Automatic rejection
17.	Failure to acknowledge addenda identified as amending e.g.: results in financial implications	Automatic rejection
18.	Failure to acknowledge addenda identified as informational e.g.: closing date extended	Two (2) business days to acknowledge
19.	Submissions received on Call for Bid documents other than those provided on Tender Forms by InnPower	Automatic rejection
20.	Submissions received in envelopes other than the tender envelopes supplied or proper Submission label used	Acceptable if officially received on time
21.	Authority to bind InnPower or signature missing	Automatic rejection
22.	Alternate items provided in whole or in part	Available for further consideration unless specified otherwise in the request
23.	Pages requiring completion of information by Bidder/Proponent are missing	Automatic rejection
BID DEPOSIT		
24.	Bid Deposit or Bid Bond not submitted with submission	Automatic rejection
25.	Bid Deposit or Bid Bond not in the acceptable form	Automatic rejection
26.	Certified Cheque not certified	Two (2) business days to rectify
27.	Amount on Bid Deposit or Bid Bond is incorrect and/or insufficient	Two (2) business days to rectify
28.	Surety provider and/or Bidder's/Proponent's authorized signature missing from the Bid Bond	Two (2) business days to rectify
29.	Effective period of Bid Bond is less than the irrevocable period stipulated in the call for bid document	Two (2) business days to rectify
AGREEMENT TO BOND		
30.	Agreement to bond with InnPower not submitted with submission	Automatic rejection
31.	Agreement to bond amount is incorrect and/or insufficient	Two (2) business days to rectify
32.	Surety provider and/or Bidder's/Proponent's authorized signature missing from Agreement to Bond	Two (2) business days to rectify
PRICING		
33.	Failure to include the Schedule(s) of Items & Prices, Price Form, or Price Details, as may be applicable, for inclusion with the submission	Automatic rejection
34.	Pricing or signature pages missing	Automatic rejection
35.	Submissions Containing Minor Mathematical Errors	Two (2) business days to correct and initial errors. InnPower reserves the right to waive initialling and accept submission.
36.	Conditions placed by the Bidder/Proponent on the Total Contract Price	Automatic rejection
37.	Unit price has been changed but not initialled	Two (2) business days to correct initial errors.

ITEM	IRREGULARITY	RESPONSE
	and the price extension is consistent with the unit price as amended	InnPower reserves the right to waive initialling and accept bid
38.	Unit price has been changed but not initialled and the price extension is not consistent with the unit price as amended	Automatic rejection
39.	Unit price extension which is not consistent with the unit price	InnPower will correct the extension based on the unit price provided. Unit pricing will govern.
40.	Other mathematical errors which are not consistent with the unit prices	Two (2) business days to initial corrections. Unit prices will govern. InnPower reserves the right to waive initialling and accept submission.
41.	Where an error has been made transferring an amount from one part of the submission to another	Two (2) business days to correct
42.	Pricing appears to be unbalanced to the extent that it would have a significant adverse effect to InnPower if awarded	Automatic rejection
POST AWARD NOTIFICATION		
43.	Failure to execute required bonding or financial security within the prescribed time period	Automatic rejection and Bid Deposit forfeited
44.	Failure to execute a Contract Agreement within the prescribed time period	Automatic rejection and Bid Deposit forfeited
45.	Failure to provide supporting documents, as specified within the bid document and within the prescribed time period	Automatic rejection and Bid Deposit forfeited

1 **APPENDIX F: ACTUARIAL REPORT**

2

COLLINS BARROW TORONTO
ACTUARIAL SERVICES

InnPower Corporation

**Report on the Actuarial Valuation of
Post-Retirement Non-Pension Benefits**

As at January 1, 2014

FINAL – January 15, 2015

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Collins Barrow

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EXECUTIVE SUMMARY

PURPOSE

MEARIE Actuarial Services and Collins Barrow Toronto Actuarial Services Inc. were engaged by InnPower Corporation (the "Corporation") to perform an actuarial valuation of the post-retirement non-pension benefits sponsored by the Corporation and to determine the accounting results for those benefits for the fiscal period ending December 31, 2014. The nature of these benefits is defined benefit.

This report is prepared in accordance with The Canadian Institute of Chartered Accountants (the "CICA") guidelines outlined in Employee Future Benefits, Section 3461 of the CICA Handbook-Accounting ("CICA Section 3461"). CICA Section 3461 was first applied to the Corporation with effect from January 1, 2009.

The most recent full valuation was prepared as at December 31, 2010.

The purpose of this valuation is threefold:

- i) to determine the Corporation's liabilities in respect of post-retirement non-pension benefits at January 1, 2014;
- ii) to determine the benefit expense for fiscal year 2014; and
- iii) to provide all other pertinent information necessary for compliance with CICA Section 3461.

The intended users of this report include the Corporation and its auditors. This report is not intended for use by the plan beneficiaries or for use in determining any funding of the benefit obligations.

SUMMARY OF KEY RESULTS

The key results of this actuarial valuation as at January 1, 2014 are shown below:

	January 1, 2014
Accrued Benefit Obligation (ABO)	
a) People in receipt of benefits	-
b) Fully eligible actives	23
c) Not fully eligible actives	<u>114</u>
Total ABO	137
Current Service Cost: <i>for following 12 months</i>	14
Benefit Expense: <i>for following 12 months</i>	28
Prepaid Benefit Liability: <i>at January 1</i>	47

The January 1, 2014 Prepaid Benefit Liability is based on the value in the Corporation's financial statements as at December 31, 2013.

ACTUARIAL CERTIFICATION

An actuarial valuation has been performed on the post-retirement non-pension benefit plans sponsored by InnPower Corporation (the "Corporation") as at January 1, 2014, for the purposes described in this report.

In accordance with the Canadian Institute of Actuaries Consolidated Standards of Practice General Standards, we hereby certify that, in our opinion, for the purposes stated in the Executive Summary:

1. The data on which the valuation is based is sufficient and reliable;
2. The assumptions employed, as outlined in this report, have been selected by the Corporation as management's best estimate assumptions (no provision for adverse deviations) and we express no opinion on them;
3. All known substantive commitments with respect to the post-retirement non-pension benefits sponsored by and identified by the Corporation are included in the calculations; and
4. This report has been prepared, and our opinions given, in accordance with accepted actuarial practice in Canada.

We are not aware of any subsequent events from January 1, 2014 up to the date of this report that would have a significant effect on our valuation.

The latest date on which the next actuarial valuation should be performed is January 1, 2017. If any supplemental advice or explanation is required, please advise the undersigned.

Respectfully submitted,

COLLINS BARROW TORONTO ACTUARIAL SERVICES INC.



Stanley Caravaggio, FSA FCIA
Fellow, Canadian Institute of Actuaries



Patrick G. Kavanagh, AB ASA ACIA
Manager

Toronto, Ontario

January 15, 2015

SECTION A— VALUATION RESULTS

Table A - 1 shows the key valuation results for the current valuation.

Table A - 2 shows the sensitivity of the valuation results to certain changes in assumptions. We have shown a change to the assumed retirement age from age 60 to 58, and an increase/decrease in the health and dental claims cost trend rates by 1% per annum.

VALUATION RESULTS

Table A.1—Valuation Results

		January 1, 2014
1.	Accrued Benefit Obligation	
a)	People in receipt of benefits	-
b)	Fully eligible actives	23
c)	Not fully eligible actives	<u>114</u>
Total ABO		137
2.	Benefit Expense	
a)	Current Service Cost	14
b)	Interest Cost	7
c)	Expected Return on Assets	-
d)	Amortization of Transition Amount	-
e)	Amortization of Prior Service Cost	-
f)	Amortization of (Gain)/Losses	<u>7</u>
Total Benefit Expense <i>for following 12 months</i>		28
3.	Expected Benefit Payments <i>for following 12 months</i>	-

SENSITIVITY ANALYSIS

Table A.2—Sensitivity Analysis

	January 1, 2014			
	Valuation Results	Retirement Age 58	1% Higher Trend	1% Lower Trend
1. Accrued Benefit Obligation				
a) People in receipt of benefits	-	-	-	-
b) Fully eligible actives	23	23	23	23
c) Not fully eligible actives	<u>114</u>	<u>155</u>	<u>128</u>	<u>102</u>
Total ABO	137	178	151	125
2. Current Service Cost for following 12 months	14	19	16	13
3. Interest Cost for following 12 months	7	9	8	6
4. Expected Average Remaining Service Lifetime of the Current Active Employees (years)	13	12	13	13

SECTION B— PLAN PARTICIPANTS

The following section sets out the summary information with respect to the plan participants valued in the report.

PARTICIPANT DATA

Membership data as at January 1, 2014 was received from the Corporation via e-mail and included information such as name, sex, age, date of hire, current salary, benefit amounts and other applicable details for all active employees and people in receipt of benefits.

We have reviewed the data for sufficiency and reliability, the main tests that were conducted on the membership data are as follows:

- Date of birth prior to date of hire
- Salaries less than \$20,000 per year, or greater than \$250,000 per year
- Ages under 18 or over 100
- Abnormal levels of benefits and/or premiums
- Missing or incomplete data fields
- Duplicate records
- A review of the consistency of individual data items and statistical summaries

The tables on the following pages provide a statistical summary of the membership data used in the valuation.

Active Employees

As of January 1, 2014						
	<u>Male</u>	<u>Female</u>	<u>Total</u>			
Number of Employees	12	25	37			
Average Length of Service	8.1	7.3	7.6			
As of January 1, 2014						
	<u>Current Age</u>					
	<u>Active Lives—Not fully eligible</u>			<u>Active Lives—Fully eligible</u>		
	<u>Count</u>			<u>Count</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
<u>Age Band</u>						
Less than 30	2	8	10	-	-	-
30-35	1	-	1	-	-	-
36-40	-	1	1	-	-	-
41-45	2	3	5	-	-	-
46-50	5	5	10	-	-	-
51-55	1	3	4	-	-	-
56-60	-	2	2	1	-	1
61-65	-	2	2	-	1	1
66-70	-	-	-	-	-	-
71-75	-	-	-	-	-	-
Greater than 75	-	-	-	-	-	-
Total	11	24	35	1	1	2

As of January 1, 2014	Average Service					
	Active Lives—Not fully eligible			Active Lives—Fully eligible		
	Service			Service		
	Male	Female	Total	Male	Female	Total
Age Band						
Less than 30	1.9	2.0	2.0	-	-	-
30-35	0.9	-	0.9	-	-	-
36-40	-	2.7	2.7	-	-	-
41-45	4.3	8.9	7.1	-	-	-
46-50	10.2	11.3	10.7	-	-	-
51-55	12.8	9.4	10.3	-	-	-
56-60	-	6.5	6.5	20.4	-	20.4
61-65	-	7.4	7.4	-	25.7	25.7
66-70	-	-	-	-	-	-
71-75	-	-	-	-	-	-
Greater than 75	-	-	-	-	-	-
Total	7.0	6.6	6.7	20.4	25.7	23.0

SECTION C— SUMMARY OF ACTUARIAL METHOD AND ASSUMPTIONS

ACTUARIAL METHOD

The aim of an actuarial valuation of post-retirement non-pension benefits is to provide a reasonable and systematic allocation of the cost of these future benefits to the years in which the related employees' services are rendered. To accomplish this, it is necessary to:

- make assumptions as to the discount rates, salary rate increases, mortality and other decrements;
- use these assumptions to calculate the present value of the expected future benefits; and
- adopt an actuarial cost method to allocate the present value of expected future benefits to the specific years of employment.

The ABO and Current Service Cost were determined using the projected benefit method, pro-rated on service. This is the method stipulated by CICA Section 3461 when future salary levels or cost escalation affect the amount of the employee's future benefits. Under this method, the projected post-retirement benefits are deemed to be earned on a pro-rata basis over the years of service in the attribution period. CICA Section 3461 stipulates that the attribution period commences at the employee's hire date and ends at the earliest age at which the employee could retire and qualify for the post-retirement non-pension benefits valued herein.

For each employee not yet fully eligible for benefits, the ABO is equal to the present value of expected future benefits multiplied by the ratio of the years of service to the valuation date to the total years of service in the attribution period. The Current Service Cost is equal to the present value of expected future benefits multiplied by the ratio of the year (or part) of service in the fiscal year to total years of service in the attribution period.

For health and dental benefits, the Corporation has selected the premium rates charged to retirees as management's best estimate of the benefits costs to be incurred. The total monthly premium rates, inclusive of premium taxes, used are as follows:

Retiree Type	Health Care Rates	Dental Care Rates
Single	\$ 59.39	\$ 57.33
Family	\$ 224.21	\$ 180.94

The above premium rates were provided by the Corporation and represent the rates effective May 1, 2013 to April 30, 2014.

The ABO at January 1, 2014 is based on membership data and management's best estimate assumptions at January 1, 2014.

ACCOUNTING POLICIES

The Corporation amortizes the amount of any gain or loss divided by the expected average remaining service lifetime of the active members of the group.

MANAGEMENT'S BEST ESTIMATE ASSUMPTIONS

The following are management's best estimate economic and demographic assumptions as at January 1, 2014.

ECONOMIC ASSUMPTIONS

Consumer Price Index

The consumer price index is assumed to be 2.00% per annum.

Discount Rate

The rate used to discount future benefits is assumed to be 4.80% per annum. This rate reflects the market interest rates at the measurement date on high quality debt instruments with consideration given to the timing and amount of projected benefit payments.

The assumption used in the previous valuation was 4.75% per annum.

Salary Increase Rate

The rate used to increase salaries is assumed to be 2.75% for the years ending 2014 and 2015 and 3.10% per annum thereafter. This rate reflects the expected Consumer Price Index adjusted for productivity, merit and promotion adjusted for company specific information.

Claims Cost Trend Rate

The rates used to project benefits costs into the future are as follows:

End of Year	Current Valuation	
	Health	Dental
2014**	7.00%	4.60%
2015	6.66%	4.60%
2016	6.31%	4.60%
2017	5.97%	4.60%
2018	5.63%	4.60%
2019	5.29%	4.60%
2020	4.94%	4.60%
2021	4.60%	4.60%
2022 and Thereafter	4.60%	4.60%

**Actual benefit cost information for the period January 1, 2014 to December 31, 2014 has been reflected in the valuation.

DEMOGRAPHIC ASSUMPTIONS

Mortality Table

The mortality tables used are as per the Canadian Institute of Actuaries Canadian Pensioners' Mortality Pension Experience Subcommittee report dated February 11, 2014 (CIA Report). More specifically, the 2014 Public Sector Mortality Table has been used with the generational projection of mortality improvement based upon CPM Improvement Scale B1-2014.

Mortality rates are applied on a sex-distinct basis.

Rates of Withdrawal

Termination of employment prior to age 55 is assumed to follow the Ontario Light Termination Rates, a sample of which can be found in the table below:

Age Band	Withdrawal Rate per Annum
25	10.0%
35	3.2%
45	1.7%
55	0.0%

Retirement Age

All active employees are assumed to retire at age 60 (or immediately if currently over age 60). For employees who meet the minimum service requirement to be eligible for post-retirement benefits between ages 60 and 65, the retirement age will be extended to this date.

Family/Single Coverage

It is assumed that the coverage type as at January 1, 2014 as provided by the Corporation, will remain the same until the employee reaches the assumed retirement age. For family coverage, it is assumed that the retiree has a spouse of opposite gender and no other dependents. Male spouses are assumed to be 3 years older than female spouses.

Expenses and Taxes

We have assumed 10% of benefits is required for the cost of sponsoring the program for life insurance.

For health and dental benefits, taxes and expenses are included in the monthly benefit cost levels as indicated above.

SECTION D— SUMMARY OF POST-RETIREMENT BENEFITS

The following is a summary of the plan provisions that are pertinent to this valuation, based on information provided by and discussions with the Corporation.

GOVERNING DOCUMENTS

The program is governed by the following documents and agreements:

- Collective Agreement between InnPower Corporation and Power Workers' Union C.U.P.E Local 1000, effective July 7, 2013 to July 6, 2016

What follows is only a summary of the post-retirement non-pension benefits program. For a complete description, please refer to the above-noted document.

ELIGIBILITY

All employees who retire from the Corporation after age 55 with a minimum of 15 years of active service are eligible for post-retirement life, health and dental benefits.

PARTICIPANT CONTRIBUTIONS

The Corporation shall pay 50%, effective January 1, 2009, of the cost of the post-retirement life, health and dental benefits for eligible retirees.

PAST SERVICE

Past service is defined as continuous service prior to joining the plan if the participant was employed by another electrical distribution company/hydro prior to joining the Corporation.

LENGTH OF SERVICE

Length of service is defined as continuous service from the date of hire to the valuation date, measured in years and months.

SUMMARY OF BENEFITS

Life Insurance

All eligible employees who retire from InnPower Corporation post January 1, 2009 are entitled to life insurance of two (2) times annual salary with coverage to age 65.

Extended Health, and Dental Benefits

Eligible employees retiring after January 1, 2009 are entitled to post-retirement health and dental benefits to age 65.

A detailed description of the life, health and dental benefits covered under the post-retirement non-pension benefits can be found in the above-noted governing documents.

SECTION E— EMPLOYER CERTIFICATION

Post-Retirement Non-Pension Benefit Plan of InnPower Corporation Actuarial Valuation as at January 1, 2014

I hereby confirm as an authorized signing officer of the administrator of the Post-Retirement Non-Pension Benefit Plan of InnPower Corporation that, to the best of my knowledge and belief, for the purposes of the valuation:

- i) the membership data summarized in Section B is accurate and complete;
- ii) the assumptions upon which this report is based as summarized in Section C are management best estimate assumptions and are adequate and appropriate for the purposes of this valuation; and
- iii) the summary of Plan Provisions in Section D is an accurate and complete summary of the terms of the Plan in effect on January 1, 2014.

INNPOWER CORPORATION

Jan 7/15
Date

Laurie Ann Cooledge
Name

[Signature]
Signature

CFO/Treasurer
Title

Jan. 7, 2015
Date

Barb Cesarin
Name

Barb Cesarin
Signature

HR & Administration Manager
Title

InnPower Corporation
ESTIMATED BENEFIT EXPENSE (CICA 3461)
FINAL

GAAP

Calendar Year 2014

Discount Rate - January 1	4.80%
Discount Rate - December 31	4.10%
Withdrawal Rate	Age based rate table
Assumed increase in Employer Contributions	actual

A. Determination of Benefit Expense

Current Service Cost	14,101
Interest on Benefits	7,281
Expected Interest on Assets	-
Past Service Cost	-
Transitional Obligation/(Asset)	-
Actuarial (Gain)/Loss	6,992

Benefit Expense	28,375
------------------------	--------

B. Reconciliation of Prepaid Benefit Asset (Liability)

Accrued Benefit Obligation (ABO) as at December 31	172,014
Assets as at December 31	-

Unfunded ABO	(172,014)
Unrecognized Loss/(Gain)	96,942
Unamortized Past Service Loss/(Gain)	-

Prepaid Benefit Asset (Liability)	(75,073)
--	----------

Prepaid Benefit/(Liability) as at January 1 2014	(46,698)
Benefit Income/(Expense)	(28,375)
Contributions/Benefit Payments by the Employer	-

Prepaid Benefit Asset (Liability)	(75,073)
--	----------

* based on estimated employer benefit payments for 2014 as provided by the Hydro.

← B/S
as @ 12/31/14

InnPower Corporation
ESTIMATED BENEFIT EXPENSE (CICA 3461)
FINAL

Calendar Year 2014

Discount Rate - January 1	4.80%
Discount Rate - December 31	4.10%
Withdrawal Rate	Age based rate table
Assumed increase in Employer Contributions	actual

C. Calculation of Component Items

Calculation of the Service Cost

- Current service cost	14,101
------------------------	--------

Interest on Benefits

- ABO at January 1	137,596
- Current service cost	14,101
- Benefit payments	-
- Accrued benefits	151,697
- Interest	7,281

Expected Interest on Assets

- Assets at January 1	-
- Funding	-
- Benefit payments	-
- Expected assets	-
- Interest	-

Expected ABO as at December 31

- ABO at January 1	137,596
- Current service cost	14,101
- Interest on benefits	7,281
- Benefit payments	-
- Expected ABO at December 31	158,978

Expected Assets as at December 31

- Assets at January 1	-
- Funding	-
- Interest on assets	-
- Benefit payments	-
- Expected Assets at December 31	-

* based on estimated employer benefit payments for those expected to be eligible for benefits.

InnPower Corporation
ESTIMATED BENEFIT EXPENSE (CICA 3461)
FINAL

Calendar Year 2014

Discount Rate - January 1	4.80%
Discount Rate - December 31	4.10%
Withdrawal Rate	Age based rate table
Assumed increase in Employer Contributions	actual

D. Actuarial (Gain)/Loss

(Gain)/Loss on ABO as at January 1	
- Prepaid Benefit/(Liability) as at January 1	46,698
- Unamortized Past Service Cost	-
- Unamortized (Gain)/Loss	(474)
- Expected ABO	46,224
- Actual ABO	137,596
- Total (Gain)/Loss on ABO	91,372

(Gain)/Loss on assets as at January 1	
- Expected assets	-
- Actual assets	-
- (Gain)/Loss on assets	-

Total (Gain)/Loss as at January 1	90,898
-----------------------------------	--------

10% of ABO as at January 1	13,760
Total (Gain)/Loss in excess of 10%	77,138

Expected average remaining service life (years)	13
---	----

Minimum Amortization for current year	5,934
---------------------------------------	-------

Actual Amortization for current year	6,992
--------------------------------------	-------

(Gain)/Loss on ABO at December 31 due to change in discount rate assumption	
-Expected ABO at December 31	158,978
-Actual ABO at December 31	172,014
-(Gain)/Loss	13,036

Unamortized (Gain)/Loss at December 31, 2014	96,942
--	--------

* based on estimated employer benefit payments for those expected to be eligible for benefits.

InnPower Corporation
ESTIMATED BENEFIT EXPENSE (IAS 19)
FINAL

IFRS

	CY 2014	Projected** CY 2016	Projected** CY 2016
Discount Rate at January 1	4.80%	4.10%	4.10%
Discount Rate at December 31	4.10%	4.10%	4.10%
Health Benefit Cost Trend Rate at December 31			
Initial Rate	7.00%	8.86%	6.31%
Ultimate Rate	4.80%	4.80%	4.60%
Year Ultimate Rate Reached	2021	2021	2021
Dental Benefit Cost Trend Rate	4.80%	4.80%	4.60%
Salary Scale Rate	2.75%	2.75%	3.10%
Assumed Increase in Employer Contributions	actual	expected*	expected*

A. Change in the Net Defined Benefit Liability/(Asset) Recognized in Balance Sheet

Net Defined Benefit Liability/(Asset) as at January 1	116,539	146,675	163,498
Defined Benefit Cost Recognized in Income Statement	20,312	22,883	24,057
Defined Benefit Cost Recognized in Other Comprehensive Income	9,824	-	-
Benefits Paid by the Employer	-	(5,860)	(6,079)
Net Defined Benefit Liability/(Asset) as at December 31	146,675	163,498	181,476

B. Determination of Defined Benefit Cost

B1. Determination of Defined Benefit Cost Recognized in Income Statement

Service Cost			
- Current Service Cost	14,718	16,790	17,478
- Past Service Cost	-	-	-
Net Interest Cost	5,594	5,894	6,579
Defined Benefit Cost Recognized in Income Statement	20,312	22,883	24,057

B2. Remeasurements of the Net Defined Benefit Liability/(Asset) Recognized in Other Comprehensive Income

Net Actuarial Loss/(Gain) arising from Changes in Financial Assumptions	9,824	-	-
Net Actuarial Loss/(Gain) arising from Changes in Demographic Assumptions	-	-	-
Return on Plan Assets (excluding amounts included in net interest cost)	-	-	-
Change in effect of asset ceiling	-	-	-
Defined Benefit Cost Recognized in Other Comprehensive Income	9,824	-	-
Total Defined Benefit Cost	30,136	22,883	24,057

C. Change in the Present Value of Defined Benefit Obligation

Present Value of Defined Benefit Obligation as at January 1	116,539	146,675	163,498
Current Service Cost	14,718	16,790	17,478
Past Service Cost	-	-	-
Interest Cost	5,594	5,894	6,579
Benefits Paid	-	(5,860)	(6,079)
Net Actuarial Loss/(Gain)	9,824	-	-
Present Value of Defined Benefit Obligation as at December 31	146,675	163,498	181,476

* based on estimated employer benefit paid for those expected to be eligible for benefits

2015 I/S impact \$88,425 2016 = \$17,978
~~2015~~ expense 00
 exp for 2015 = \$88,425
 2015 B/S liability = \$163,498
 2015 3/5 " = 75,073 > \$88,425
 2016 B/S Liability = \$181,476

**Projected CY2015 and 2016 results are provided for informational purposes only. Significant changes such as re-negotiated benefits or significant swings in demographics may require revised projections or a full actuarial review.

InnPower Corporation
ESTIMATED BENEFIT EXPENSE (IAS 19)
FINAL

	CY 2014	Projected** CY 2015	Projected** CY 2016
Discount Rate at January 1	4.80%	4.10%	4.10%
Discount Rate at December 31	4.10%	4.10%	4.10%
Health Benefit Cost Trend Rate at December 31			
Initial Rate	7.00%	6.66%	6.31%
Ultimate Rate	4.60%	4.60%	4.60%
Year Ultimate Rate Reached	2021	2021	2021
Dental Benefit Cost Trend Rate	4.60%	4.60%	4.60%
Salary Scale Rate	2.76%	2.75%	3.10%
Assumed Increase in Employer Contributions	actual	expected*	expected*

D. Calculation of Component Items

Service Cost			
- Current Service Cost	14,718	16,790	17,478
- Past Service Cost	-	-	-
Interest Cost			
- Net Defined Benefit Liability/(Asset) as at January 1	116,539	146,675	163,496
- Benefits Paid	-	(2,930)	(3,039)
- Accrued Benefits	116,539	143,745	160,459
- Interest Cost	5,594	5,894	6,579
Expected Present Value of Defined Benefit Obligation as at December 31			
- Present Value of Defined Benefit Obligation as at January 1	116,539	146,675	163,496
- Current Service Cost	14,718	16,790	17,478
- Interest Cost	5,594	5,894	6,579
- Benefits Paid	-	(5,860)	(6,079)
- Expected Present Value of Defined Benefit Obligation as at December 31	136,851	163,498	181,476

E. Net Actuarial Loss/(Gain)

Net Actuarial Loss/(Gain) on Present Value of Defined Benefit Obligation as at December 31			
- Expected Present Value of Defined Benefit Obligation	136,851	163,498	181,476
- Past Service Cost	-	-	-
- Expected Present Value of Defined Benefit Obligation (after Past Service Cost)	136,851	163,498	181,476
- Actual Present Value of Defined Benefit Obligation	146,675	163,498	181,476
- Net Actuarial Loss/(Gain) on Present Value of Defined Benefit Obligation	9,824	-	-

* based on estimated employer Benefits Paid for those expected to be eligible for benefits.

**Projected CY2015 and 2016 results are provided for informational purposes only. Significant changes such as re-negotiated benefits or significant swings in demographics may require revised projections or a full actuarial review.

InnPower Corporation
ESTIMATED BENEFIT EXPENSE (IAS 19)
FINAL

	Projected** CY 2014	Projected** CY 2015	Projected** CY 2016
Discount Rate at January 1	4.80%	4.10%	4.10%
Discount Rate at December 31	4.10%	4.10%	4.10%
Health Benefit Cost Trend Rate at December 31			
Initial Rate	7.00%	6.66%	6.31%
Ultimate Rate	4.80%	4.80%	4.80%
Year Ultimate Rate Reached	2021	2021	2021
Dental Benefit Cost Trend Rate	4.60%	4.60%	4.60%
Salary Scale Rate	2.75%	2.75%	3.10%
Assumed Increase in Employer Contributions	expected*	expected*	expected*

A. Change in the Net Defined Benefit Liability/(Asset) Recognized in Balance Sheet

Net Defined Benefit Liability/(Asset) as at January 1	116,539	-	(5,980)
Defined Benefit Cost Recognized in Income Statement	20,312	(120)	(370)
Defined Benefit Cost Recognized in Other Comprehensive Income	(136,851)	-	-
Benefits Paid by the Employer	-	(6,860)	(6,079)
Net Defined Benefit Liability/(Asset) as at December 31	-	(5,960)	(12,428)

B. Determination of Defined Benefit Cost

B1. Determination of Defined Benefit Cost Recognized in Income Statement

Service Cost			
- Current Service Cost	14,718	-	-
- Past Service Cost	-	-	-
Net Interest Cost	5,594	(120)	(370)
Defined Benefit Cost Recognized in Income Statement	20,312	(120)	(370)

B2. Remeasurements of the Net Defined Benefit Liability/(Asset) Recognized in Other Comprehensive Income

Net Actuarial Loss/(Gain) arising from Changes in Financial Assumptions	(136,851)	-	-
Net Actuarial Loss/(Gain) arising from Changes in Demographic Assumptions	-	-	-
Return on Plan Assets (excluding amounts included in net interest cost)	-	-	-
Change in effect of asset ceiling	-	-	-
Defined Benefit Cost Recognized in Other Comprehensive Income	(136,851)	-	-
Total Defined Benefit Cost	(116,539)	(120)	(370)

C. Change in the Present Value of Defined Benefit Obligation

Present Value of Defined Benefit Obligation as at January 1	116,539	-	(5,980)
Current Service Cost	14,718	-	-
Past Service Cost	-	-	-
Interest Cost	5,594	(120)	(370)
Benefits Paid	-	(5,860)	(6,079)
Net Actuarial Loss/(Gain)	(136,851)	-	-
Present Value of Defined Benefit Obligation as at December 31	-	(5,960)	(12,428)

* based on estimated employer benefit paid for those expected to be eligible for benefits

**Projected CY2014, CY2015 and 2016 results are provided for informational purposes only. Significant changes such as re-negotiated benefits or significant swings in demographics may require revised projections or a full actuarial review.

InnPower Corporation
ESTIMATED BENEFIT EXPENSE (IAS 19)
FINAL

	Projected** CY 2014	Projected** CY 2015	Projected** CY 2016
Discount Rate at January 1	4.80%	4.10%	4.10%
Discount Rate at December 31	4.10%	4.10%	4.10%
Health Benefit Cost Trend Rate at December 31			
Initial Rate	7.00%	6.66%	6.31%
Ultimate Rate	4.80%	4.60%	4.60%
Year Ultimate Rate Reached	2021	2021	2021
Dental Benefit Cost Trend Rate	4.60%	4.60%	4.60%
Salary Scale Rate	2.75%	2.75%	3.10%
Assumed Increase In Employer Contributions	expected*	expected*	expected*

D. Calculation of Component Items

Service Cost

- Current Service Cost	14,718	-	-
- Past Service Cost	-	-	-

Interest Cost

- Net Defined Benefit Liability/(Asset) as at January 1	116,539	-	(5,960)
- Benefits Paid	-	(2,930)	(3,039)
- Accrued Benefits	116,539	(2,930)	(9,019)
- Interest Cost	5,594	(120)	(370)

Expected Present Value of Defined Benefit Obligation as at December 31

- Present Value of Defined Benefit Obligation as at January 1	116,539	-	(5,960)
- Current Service Cost	14,718	-	-
- Interest Cost	5,594	(120)	(370)
- Benefits Paid	-	(5,860)	(6,079)
- Expected Present Value of Defined Benefit Obligation as at December 31	136,851	(5,980)	(12,428)

E. Net Actuarial Loss/(Gain)

Net Actuarial Loss/(Gain) on Present Value of Defined Benefit Obligation as at December 31

- Expected Present Value of Defined Benefit Obligation	136,851	(5,980)	(12,428)
- Past Service Cost	-	-	-
- Expected Present Value of Defined Benefit Obligation (after Past Service Cost)	136,851	(5,980)	(12,428)
- Actual Present Value of Defined Benefit Obligation	-	(5,980)	(12,428)
- Net Actuarial Loss/(Gain) on Present Value of Defined Benefit Obligation	(136,851)	-	-

* based on estimated employer Benefits Paid for those expected to be eligible for benefits.

InnPower Corporation
ESTIMATED BENEFIT EXPENSE (CICA 3461)
FINAL

Projected
Calendar Year 2014

Discount Rate - January 1	4.80%
Discount Rate - December 31	0.00%
Withdrawal Rate	Age based rate table
Assumed increase in Employer Contributions	expected*

A. Determination of Benefit Expense

Current Service Cost	14,101
Interest on Benefits	7,281
Expected Interest on Assets	-
Past Service Cost	-
Transitional Obligation/(Asset)	-
Actuarial (Gain)/Loss	6,992

Benefit Expense	28,375
------------------------	---------------

B. Reconciliation of Prepaid Benefit Asset (Liability)

Accrued Benefit Obligation (ABO) as at December 31	-
Assets as at December 31	-
Unfunded ABO	-
Unrecognized Loss/(Gain)	(75,073)
Unamortized Past Service Loss/(Gain)	-

Prepaid Benefit Asset (Liability)	(75,073)
--	-----------------

Prepaid Benefit/(Liability) as at January 1	(46,698)
Benefit Income/(Expense)	(28,375)
Contributions/Benefit Payments by the Employer	-

Prepaid Benefit Asset (Liability)	(75,073)
--	-----------------

* based on estimated employer benefit payments for 2014 as provided by the Hydro.

InnPower Corporation
ESTIMATED BENEFIT EXPENSE (CICA 3461)
FINAL

Projected
Calendar Year 2014

Discount Rate - January 1	4.80%
Discount Rate - December 31	0.00%
Withdrawal Rate	Age based rate table
Assumed increase in Employer Contributions	expected*

C. Calculation of Component Items

Calculation of the Service Cost

- Current service cost	14,101
------------------------	--------

Interest on Benefits

- ABO at January 1	137,596
- Current service cost	14,101
- Benefit payments	-
- Accrued benefits	151,697
- Interest	7,281

Expected Interest on Assets

- Assets at January 1	-
- Funding	-
- Benefit payments	-
- Expected assets	-
- Interest	-

Expected ABO as at December 31

- ABO at January 1	137,596
- Current service cost	14,101
- Interest on benefits	7,281
- Benefit payments	-
- Expected ABO at December 31	158,978

Expected Assets as at December 31

- Assets at January 1	-
- Funding	-
- Interest on assets	-
- Benefit payments	-
- Expected Assets at December 31	-

* based on estimated employer benefit payments for those expected to be eligible for benefits.

InnPower Corporation
ESTIMATED BENEFIT EXPENSE (CICA 3461)
FINAL

Projected
Calendar Year 2014

Discount Rate - January 1	4.80%
Discount Rate - December 31	0.00%
Withdrawal Rate	Age based rate table
Assumed increase in Employer Contributions	expected*

D. Actuarial (Gain)/Loss

(Gain)/Loss on ABO as at January 1	
- Prepaid Benefit/(Liability) as at January 1	46,698
- Unamortized Past Service Cost	-
- Unamortized (Gain)/Loss	(474)
- Expected ABO	46,224
- Actual ABO	137,596
- Total (Gain)/Loss on ABO	91,372

(Gain)/Loss on assets as at January 1	
- Expected assets	-
- Actual assets	-
- (Gain)/Loss on assets	-

Total (Gain)/Loss as at January 1	90,898
-----------------------------------	--------

10% of ABO as at January 1	13,760
Total (Gain)/Loss in excess of 10%	77,138

Expected average remaining service life (years)	13
---	----

Minimum Amortization for current year	5,934
---------------------------------------	-------

Actual Amortization for current year	6,992
--------------------------------------	-------

(Gain)/Loss on ABO at December 31 due to change in discount rate assumption	
-Expected ABO at December 31	158,978
-Actual ABO at December 31	-
-(Gain)/Loss	(158,978)

Unamortized (Gain)/Loss at December 31, 2014	(75,073)
--	----------

* based on estimated employer benefit payments for those expected to be eligible for benefits.

1 **APPENDIX G: PILS WORK FORM MODEL**

2

Income Tax/PILs Workform for 2016 Filers

Version 1.0

Utility Name	Innpower Corporation
Assigned EB Number	
Name and Title	
Phone Number	
Email Address	
Date	
Last COS Re-based Year	2013

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

This Workbook Model is protected by copyright and is being made available to you solely for the purpose of filing your rate application. You may use and copy this model for that purpose, and provide a copy of this model to any person that is advising or assisting you in that regard. Except as indicated above, any copying, reproduction, publication, sale, adaptation, translation, modification, reverse engineering or other use or dissemination of this model without the express written consent of the Ontario Energy Board is prohibited. If you provide a copy of this model to a person that is advising or assisting you in preparing the application or reviewing your draft rate order, you must ensure that the person understands and agrees to the restrictions noted above.

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.

Instructions

Purpose

The purpose of this workbook is to calculate the estimated Payment in Lieu of Taxes (PILs) for the Test Year. The calculation of PILs for the Test Year is on tab **T0** and is based on the inputs on the other tabs.

Tab **S Summary** is a summary of the amounts to be transferred to the Revenue Requirement Workform. The Revenue Requirement Workform is on tab **3** of the Revenue Requirement Workform.

Methodology

To calculate the PILs for the Test Year:

- 1) input the balances from the income tax return of the Historical Year in tabs **H1** to **H13**.
- 2) input the balances for the subsequent two (2) years (the Bridge Year and the Test Year).

Inputs should include:

- non-deductible expenses (Schedule 1 - **B1** and **T1**)
- capital additions (Schedule 8 - **B8** and **T8**)
- cumulative eligible expenditures (Schedule 10 - **B10** and **T10**)
- non-deductible reserves (Schedule 13 - **B13** and **T13**)

- 3) make any other adjustments and inputs required so that the PILs amount calculated for the Test Year on tab **T0** is reasonable.

Other Notes

Tabs **H1** to **H13** relate to the Historical Year.

Tabs **B1** to **B13** relate to the Bridge Year.

Tabs **T1** to **T13** relate to the Test Year.

The amounts on tabs **H1** to **H13** should agree to the tax return filed with the Canada Revenue Agency. Any CRA audit adjustments or corrections should also be reflected.

It is assumed the net income before tax for the Test Year is equal to the Return on Equity. Return on Equity is calculated on tab **A**.

On tab "**A. Data Input Sheet**", input the "Rate Base" amount and "Return on Rate Base" amounts.

For the 2016 Application, the "Test Year" is 2016, the "Historical Year" is 2014, and the "Bridge Year" is 2015.

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	-1,710,425
Test Year - Payments in Lieu of Taxes (PILs)	<u>T0</u>	107,629
Test Year - Grossed-up PILs	<u>T0</u>	146,434
Federal Tax Rate	<u>T0</u>	15.0%
Ontario Tax Rate	<u>T0</u>	11.5%
<u>Calculation of Adjustments required to arrive at Taxable Income</u>		
Regulatory Income (before income taxes)	<u>T1</u>	2,116,573
Taxable Income	<u>T1</u>	406,148
Difference	calculated	-1,710,425 as above

Income Tax/PILs Workform for 2016 Filers

S \$ 57,578,157

Return on Ratebase

Deemed ShortTerm Debt %	4.00%	T	\$	2,303,126	$W = S * T$
Deemed Long Term Debt %	56.00%	U	\$	32,243,768	$X = S * U$
Deemed Equity %	40.00%	V	\$	23,031,263	$Y = S * V$
Short Term Interest Rate	1.65%	Z	\$	38,002	$AC = W * Z$
Long Term Interest	3.52%	AA	\$	1,134,797	$AD = X * AA$
Return on Equity (Regulatory Income)	9.19%	AB	\$	2,116,573	$AE = Y * AB$
Return on Rate Base			\$	3,289,371	$AF = AC + AD + AE$

Questions that must be answered

Questions that must be answered	Historical	Bridge	Test Year
1. Does the applicant have any Investment Tax Credits (ITC)?			
2. Does the applicant have any SRED Expenditures?			
3. Does the applicant have any Capital Gains or Losses for tax purposes?			
4. Does the applicant have any Capital Leases?			
5. Does the applicant have any Loss Carry-Forwards (non-capital or net capital)?			
6. Since 1999, has the applicant acquired another regulated applicant's assets?			
7. Did the applicant pay dividends? <i>If Yes, please describe what was the tax treatment in the manager's summary.</i>			
8. Did the applicant elect to capitalize interest incurred on CWIP for tax purposes?			



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.



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%)

11.50%

15.00%

B

C

H1

Wires Only

\$ 494,618 A

26.50% M = K + L

Total Income Taxes

Investment Tax Credits

Miscellaneous Tax Credits

Total Tax Credits

\$ 131,074 E = A * D

F

G

\$ - H = F + G

Corporate PILs/Income Tax Provision for Historical Year

\$ 131,074 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	1,495,085		1,495,085
Additions:				
Interest and penalties on taxes	103			0
Amortization of tangible assets	104	1,730,946		1,730,946
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			0
Charitable donations	112	550		550
Taxable Capital Gains	113	26,558		26,558
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	8,058		8,058
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	163,498		163,498
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))		2,278,734		2,278,734
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
Regulatory Reserve taken out of income last year		1,632,190		1,632,190
Inventory Adjustment		29,996		29,996
Amortization Expenses		51,831		51,831
Total Additions		5,922,361	0	5,922,361
Deductions:				
Gain on disposal of assets per financial statements	401	440,397		440,397
Dividends not taxable under section 83	402			0
Capital cost allowance from Schedule 8	403	3,283,593		3,283,593
Terminal loss from Schedule 8	404			0
Cumulative eligible capital deduction from Schedule 10	405	17,679		17,679
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	75,073		75,073
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
<i>Other deductions: (Please explain in detail the nature of the item)</i>				
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		2,278,734		2,278,734
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
Increase in Regulatory Assets		662,228		662,228
Cdn GAAP deferred credits		165,124		165,124
Total Deductions		6,922,828	0	6,922,828
Net Income for Tax Purposes		494,618	0	494,618
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		494,618	0	494,618



Income Tax/PIIs 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](#)

 Ontario Energy Board

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	23,360,063		23,360,063	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	1,520,965		1,520,965	B8
10	Computer Hardware/ Vehicles	219,709		219,709	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	512		512	B8
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)			0	B8
47	Distribution System - post February 2005	22,229,345		22,229,345	B8
50	Data Network Infrastructure Equipment - post Mar 2007	381,298		381,298	B8
52	Computer Hardware and system software			0	B8
95	CWIP	797,726		797,726	B8
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
				0	
	SUB-TOTAL - UCC	48,509,618	0	48,509,618	



Income Tax/PILs Workform for 2016 Filers

Schedule 10 CEC - Historical Year

Cumulative Eligible Capital **252,550**

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				252,550

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 **252,550**

Current Year Deduction **252,550** x 7% = **17,678**

Cumulative Eligible Capital - Closing Balance **234,871**

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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
Tax Reserves Not Deducted for accounting purposes			
Reserve for doubtful accounts ss. 20(1)(l)			0
Reserve for goods and services not delivered ss. 20(1)(m)			0
Reserve for unpaid amounts ss. 20(1)(n)			0
Debt & Share Issue Expenses ss. 20(1)(e)			0
Other tax reserves			0
			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
General reserve for bad debts			0
Accrued Employee Future Benefits:			0
- Medical and Life Insurance	163,498		163,498
- Short & Long-term Disability			0
- Accumulated Sick Leave			0
- Termination Cost			0
- Other Post-Employment Benefits			0
Provision for Environmental Costs			0
Restructuring Costs			0
Accrued Contingent Litigation Costs			0
Accrued Self-Insurance Costs			0
Other Contingent Liabilities			0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)			0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)			0
Other			0
			0
			0
Total	163,498	0	163,498

[B13](#)



Income Tax/PILs Workform for 2016 Filers

PILS Tax Provision - Bridge Year

				Wires Only	
				Reference	
Regulatory Taxable Income				<u>B1</u>	\$ 242,228 A
Combined Tax Rate and PILs	Effective Ontario Tax Rate	11.50%	B		
	Federal tax rate (Maximum 15%)	15.00%	C		
	Combined tax rate				26.50% D = B + C
Total Income Taxes				calculated	\$ 64,190 E = A * D
Investment Tax Credits					\$ - F
Miscellaneous Tax Credits					G
Total Tax Credits					\$ - H = F + G
Corporate PILs/Income Tax Provision for Bridge Year					\$ 64,190 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		1,990,794
Additions:			
Interest and penalties on taxes	103		
Amortization of tangible assets	104		2,116,475
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		
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		8,219
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	181,476
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		



Income Tax/PILs Workform for 2016 Filers

Adjusted Taxable Income - Bridge Year

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		
	294		
	295		
ARO Accretion expense			
Capital Contributions Received (ITA 12(1)(x))			
Lease Inducements Received (ITA 12(1)(x))			
Deferred Revenue (ITA 12(1)(a))			
Prior Year Investment Tax Credits received			



Income Tax/PILs Workform for 2016 Filers

Adjusted Taxable Income - Bridge Year

Inventory Adjustment			
Amortization Expensed			
Total Additions			2,306,170
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	3,709,673
Terminal loss from Schedule 8	404		
Cumulative eligible capital deduction from Schedule 10	405	B10	16,441
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	163,498
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		



Income Tax/PILs Workform for 2016 Filers

Adjusted Taxable Income - Bridge Year

	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)			
Other Deductions			165,124
Total Deductions		calculated	4,054,736
Net Income for Tax Purposes		calculated	242,228
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		



Income Tax/PILs Workform for 2016 Filers

Adjusted Taxable Income - Bridge Year

Limited partnership losses of preceding taxation years from Schedule 4	335		
TAXABLE INCOME		calculated	242,228



Income Tax/PILs Workform for 2016 Filers

Corporation Loss Continuity and Application

Schedule 4 Loss Carry Forward - Bridge Year

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

[T4](#)

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

[T4](#)

[illegible]



Income Tax/PILs Workform for 2016 Filers

Schedule 10 CEC - Bridge Year

Cumulative Eligible Capital

Reference

[H10](#)

234,871

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

234,871

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

234,871

Current Year Deduction

234,871 x 7% = 16,441

[B1](#)

Cumulative Eligible Capital - Closing Balance

218,430

[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)(l)	H13	0		0				0	T13	0	
Reserve for goods and services not delivered ss. 20(1)(m)	H13	0		0				0	T13	0	
Reserve for unpaid amounts ss. 20(1)(n)	H13	0		0				0	T13	0	
Debt & Share Issue Expenses ss. 20(1)(e)	H13	0		0				0	T13	0	
Other tax reserves	H13	0		0				0	T13	0	
		0		0				0		0	
		0		0				0		0	
Total		0	0	0	B1	0	0	0	B1	0	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	163,498		163,498		17,978		181,476	T13	17,978	
-Short & Long-term Disability	H13	0		0				0	T13	0	
-Accumulated Sick Leave	H13	0		0				0	T13	0	
- Termination Cost	H13	0		0				0	T13	0	
- Other Post-Employment Benefits	H13	0		0				0	T13	0	
Provision for Environmental Costs	H13	0		0				0	T13	0	
Restructuring Costs	H13	0		0				0	T13	0	
Accrued Contingent Litigation Costs	H13	0		0				0	T13	0	
Accrued Self-Insurance Costs	H13	0		0				0	T13	0	
Other Contingent Liabilities	H13	0		0				0	T13	0	
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	H13	0		0				0	T13	0	
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	H13	0		0				0	T13	0	
Other	H13	0		0				0	T13	0	
		0		0				0		0	
		0		0				0		0	
Total		163,498	0	163,498	B1	17,978	0	181,476	B1	17,978	0



Income Tax/PILs Workform for 2016 Filers

PILs Tax Provision - Test Year

				Wires Only	
Regulatory Taxable Income				T1	\$ 406,148 A
Combined Tax Rate and PILs	Ontario Tax Rate (Maximum 11.5%)	11.50%	B		
	Federal tax rate (Maximum 15%)	15.00%	C		
	Combined tax rate (Maximum 26.5%)				26.50% D = B + C
Total Income Taxes					\$ 107,629 E = A * D
Investment Tax Credits					F
Miscellaneous Tax Credits					G
Total Tax Credits					\$ - H = F + G
Corporate PILs/Income Tax Provision for Test Year					\$ 107,629 I = H + E S. Summary
Corporate PILs/Income Tax Provision Gross Up ¹		73.50%	J		\$ 38,805 K = J * I
Income Tax (grossed-up)					\$ 146,434 L = K + I S. Summary

Note:

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



Income Tax/PILs Workform for 2016 Filers

Taxable Income - Test Year

	Working Paper Reference	Test Year Taxable Income
Net Income Before Taxes	<u>A.</u>	2,116,573

	T2 S1 line #		
Additions:			
Interest and penalties on taxes	103		
Amortization of tangible assets 2-4 ADJUSTED ACCOUNTING DATA P489	104		2,404,010
Amortization of intangible assets 2-4 ADJUSTED ACCOUNTING DATA P490	106		
Recapture of capital cost allowance from Schedule 8	107		
Gain on sale of eligible capital property from Schedule 10	108		
Income or loss for tax purposes- joint ventures or partnerships	109		
Loss in equity of subsidiaries and affiliates	110		
Loss on disposal of assets	111		
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	<u>T13</u>	0

T1 Taxable Income - Test Year

Reserves from financial statements- balance at end of year	126	T13	181,476
Soft costs on construction and renovation of buildings	127		
Book loss on joint ventures or partnerships	205		
Capital items expensed	206		
Debt issue expense	208		
Development expenses claimed in current year	212		
Financing fees deducted in books	216		
Gain on settlement of debt	220		
Non-deductible advertising	226		
Non-deductible interest	227		
Non-deductible legal and accounting fees	228		
Recapture of SR&ED expenditures	231		
Share issue expense	235		
Write down of capital property	236		
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237		
<i>Other Additions: (please explain in detail the nature of the item)</i>			
Interest Expensed on Capital Leases	290		
Realized Income from Deferred Credit Accounts	291		
Pensions	292		
Non-deductible penalties	293		
	294		
	295		
	296		
	297		
ARO Accretion expense			
Capital Contributions Received (ITA 12(1)(x))			
Lease Inducements Received (ITA 12(1)(x))			
Deferred Revenue (ITA 12(1)(a))			
Prior Year Investment Tax Credits received			
T1 Taxable Income Test Year			

Inventory Adjustment			
Total Additions			2,585,486
Deductions:			
Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403	T8	4,099,145
Terminal loss from Schedule 8	404		
Cumulative eligible capital deduction from Schedule 10 CEC	405	T10	15,290
Allowable business investment loss	406		
Deferred and prepaid expenses	409		
Scientific research expenses claimed in year	411		
Tax reserves end of year	413	T13	0
Reserves from financial statements - balance at beginning of year	414	T13	181,476
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			

T1 Taxable Income Last Year

Financing fees for tax ITA 20(1)(e) and (e.1)			
Total Deductions		calculated	4,295,911
NET INCOME FOR TAX PURPOSES		calculated	406,148
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	406,148

T0



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	<u>B4</u>	0		0
				0
Other Adjustments Add (+) Deduct (-)	<u>T1</u>	0		0
Balance available for use in Test Year	calculated	0	0	0
Amount to be used in Test Year	<u>T1</u>	0		0
Balance available for use post Test Year	calculated	0	0	0

		Total	Non-Distribution Portion	Utility Balance
Net Capital Loss Carry Forward Deduction				
Actual/Estimated Bridge Year	<u>B4</u>	0		0
				0
Other Adjustments Add (+) Deduct (-)				0
Balance available for use in 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 Additions Less Disposals}	Reduced UCC	Rate %	Test Year CCA		UCC End of Test Year
1	Distribution System - post 1987	B8	\$ 22,425,660			\$ 22,425,660	\$ -	\$ 22,425,660	4%	\$ 897,026		\$ 21,528,634
1 Enhanced	Non-residential Buildings Reg. 1100(1)(a.1) election	B8	\$ -			\$ -	\$ -	\$ -	6%	\$ -		\$ -
2	Distribution System - pre 1988	B8	\$ -			\$ -	\$ -	\$ -	6%	\$ -		\$ -
8	General Office/Stores Equip	B8	\$ 1,282,472	129,910		\$ 1,412,382	\$ 64,955	\$ 1,347,427	20%	\$ 269,485		\$ 1,142,897
10	Computer Hardware/ Vehicles	B8	\$ 264,296	983,500		\$ 1,247,796	\$ 491,750	\$ 756,046	30%	\$ 226,814		\$ 1,020,982
10.1	Certain Automobiles	B8	\$ -			\$ -	\$ -	\$ -	30%	\$ -		\$ -
12	Computer Software	B8	\$ 179,250	339,325		\$ 518,575	\$ 169,663	\$ 348,913	100%	\$ 348,913		\$ 169,663
13 1	Lease # 1	B8	\$ -			\$ -	\$ -	\$ -		\$ -		\$ -
13 2	Lease #2	B8	\$ -			\$ -	\$ -	\$ -		\$ -		\$ -
13 3	Lease # 3	B8	\$ -			\$ -	\$ -	\$ -		\$ -		\$ -
13 4	Lease # 4	B8	\$ -			\$ -	\$ -	\$ -		\$ -		\$ -
14	Franchise	B8	\$ -			\$ -	\$ -	\$ -		\$ -		\$ -
17	New Electrical Generating Equipment Acq'd after Feb 27/00 Other Than B	B8	\$ -			\$ -	\$ -	\$ -	8%	\$ -		\$ -
42	Fibre Optic Cable	B8	\$ -			\$ -	\$ -	\$ -	12%	\$ -		\$ -
43.1	Certain Energy-Efficient Electrical Generating Equipment	B8	\$ -			\$ -	\$ -	\$ -	30%	\$ -		\$ -
43.2	Certain Clean Energy Generation Equipment	B8	\$ -			\$ -	\$ -	\$ -	50%	\$ -		\$ -
45	Computers & Systems Software acq'd post Mar 22/04	B8	\$ 282			\$ 282	\$ -	\$ 282	45%	\$ 127		\$ 155
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	B8	\$ -			\$ -	\$ -	\$ -	30%	\$ -		\$ -
47	Distribution System - post February 2005	B8	\$ 25,510,747	5,354,704	184,030	\$ 31,049,481	\$ 2,769,367	\$ 28,280,114	8%	\$ 2,262,409		\$ 28,787,072
50	Data Network Infrastructure Equipment - post Mar 2007	B8	\$ 171,584			\$ 171,584	\$ -	\$ 171,584	55%	\$ 94,371		\$ 77,213
52	Computer Hardware and system software	B8	\$ -			\$ -	\$ -	\$ -	100%	\$ -		\$ -
95	CWIP	B8	\$ 797,726			\$ 797,726	\$ -	\$ 797,726	0%	\$ -		\$ 797,726
			\$ -			\$ -	\$ -	\$ -	5%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	10%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -		\$ -
			\$ -			\$ -	\$ -	\$ -	0%	\$ -		\$ -
	TOTAL		\$ 50,632,018	\$ 6,807,439	\$ 184,030	\$ 57,623,487	\$ 3,495,735	\$ 54,127,752		\$ 4,099,145	T1	\$ 53,524,342



Income Tax/PILs Workform for 2016 Filers

Schedule 10 CEC - Test Year

Cumulative Eligible Capital

[B10](#) 218,430

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

0

Amount transferred on amalgamation or wind-up of subsidiary

0

0

Subtotal

218,430

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

218,430

Current Year Deduction (Carry Forward to Tab "Test Year Taxable Income")

218,430

x 7% =

15,290

[T1](#)

Cumulative Eligible Capital - Closing Balance

203,140



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 Relevant for Bridge Year	Adjusted Utility Balance		Test Year Adjustments		Balance for Test Year		Change During the Year	Disallowed Expenses
						Additions	Disposals				
Capital Gains Reserves ss.40(1)	B13	0		0				0		0	
Tax Reserves Not Deducted for accounting purposes											
Reserve for doubtful accounts ss. 20(1)(l)	B13	0		0		0	0	0		0	
Reserve for goods and services not delivered ss. 20(1)(m)	B13	0		0				0		0	
Reserve for unpaid amounts ss. 20(1)(n)	B13	0		0				0		0	
Debt & Share Issue Expenses ss. 20(1)(e)	B13	0		0				0		0	
Other tax reserves	B13	0		0				0		0	
		0		0				0		0	
		0		0				0		0	
Total		0	0	0	T1	0	0	0	T1	0	0
Financial Statement Reserves (not deductible for Tax Purposes)											
General Reserve for Inventory Obsolescence (non-specific)	B13	0		0				0		0	
General reserve for bad debts	B13	0		0				0		0	
Accrued Employee Future Benefits:	B13	0		0				0		0	
- Medical and Life Insurance	B13	181,476		181,476				181,476		0	
-Short & Long-term Disability	B13	0		0				0		0	
-Accumulated Sick Leave	B13	0		0				0		0	
- Termination Cost	B13	0		0				0		0	
- Other Post-Employment Benefits	B13	0		0				0		0	
Provision for Environmental Costs	B13	0		0				0		0	
Restructuring Costs	B13	0		0				0		0	
Accrued Contingent Litigation Costs	B13	0		0				0		0	
Accrued Self-Insurance Costs	B13	0		0				0		0	
Other Contingent Liabilities	B13	0		0				0		0	
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	B13	0		0				0		0	
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	B13	0		0				0		0	
Other	B13	0		0				0		0	
		0		0				0		0	
		0		0				0		0	
Total		181,476	0	181,476	T1	0	0	181,476	T1	0	0

1 **APPENDIX H: 2014 TAX RETURN**

2



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June 29, 2015

Mr. LAURIE ANN COOLEDGE
Treasurer
INNPOWER CORPORATION
7251 Yonge St
INNISFIL, ON L9S 0J3

Dear LAURIE ANN:

**Re: INNPOWER CORPORATION
December 31, 2014 corporate tax return**

We have enclosed the tax return package for INNPOWER CORPORATION (the "company") for the taxation period ended December 31, 2014. The return should be filed as soon as possible in accordance with the filing instructions below, but no later than **June 30, 2015**.

Please be reminded that the SR&ED claim must be filed by 18 months after the taxation year end or it will not be accepted.

We have prepared the return based on the information you have provided to us. Since the responsibility for the accuracy and completeness of this information remains with you, please carefully examine the return before certifying that it is true, correct, and complete.


The "client copy" of the return is for your records.

T2 - Corporation income tax return

The "T2 bar codes format" includes information from the corporation's income tax return and all applicable schedules. The copy for your files is in traditional format.

As the T2 return includes a SR&ED claim, it is important that the return is filed by **June 30, 2015**. Please note that if a complete SR&ED claim is not filed by 18 months after the taxation year end, it will be denied completely.

Signature

 The form containing the T2 bar codes should be completed and signed.

Refund

The return indicates a **refund of \$12,326**.

Mailing

- ☒ A copy of the form containing the T2 bar codes should be sent to the Tax Services Office, 1050 Notre-Dame Avenue, Sudbury ON P3A 5C1 no later than **June 30, 2015**.

Carryback of losses

Non-capital losses in the amount of **\$684,195** have been requested to be carried back to prior taxation period(s).

Instalments

No instalments are required for the December 31, 2015 taxation period.

Any balance of taxes owing in excess of instalments are generally due two months after the taxation year end, after which non-deductible interest charges will apply. Please contact us in advance if you require assistance with estimating the balances owing, if any.

Other matters

Notice of assessment

When you receive any notice of assessment or reassessment of the current or a prior taxation period, please immediately forward a copy to us for our records. This will enable us to determine if each assessment or reassessment is correct before the limit for an objection expires (**90 days** from the date of the notice).

Research and development expenses

Scientific Research and Development Expenditures ("SR&ED") which were accrued but unpaid at year end must be paid by 179 days after year end. If they are paid after this date, then they will be deemed to be incurred at the time the amounts are actually paid and they will not qualify for investment tax credits.

Therefore please ensure any accrued SR&ED expenses have or will be paid by this deadline.

Foreign reporting

The corporation may be required to file an information return if:

- during the taxation year, it owned or held an interest in foreign investment property having a total cost in excess of \$100,000 (CDN);
- during the taxation year, it received a distribution of property from or was indebted to a foreign-based trust, or had an interest in a foreign affiliate. In general, a foreign affiliate is a non-resident corporation in which a Canadian taxpayer either alone, or with related parties, has a 10% or greater equity interest; or,
- at any time, it or a partnership of which it was a member transferred or loaned funds or property to a foreign-based trust (or to a non-resident corporation controlled by the foreign-based trust).

It is our understanding that the corporation is not required to file information returns in respect of any of the above.

If our understanding is incorrect, please contact us as soon as possible. Failure to file the required foreign reporting return(s) could result in substantial penalties, including a late-filing penalty of \$25 a day (minimum \$100, maximum \$2,500), plus interest, for each late-filed information return and/or supplementary. Penalties are significantly higher where a taxpayer knowingly, or under circumstances amounting to gross negligence, fails to file or makes false statements in certain forms.

We are pleased to have assisted you in this matter. If you have any questions on these or other matters, please do not hesitate to contact us at (705) 326-7605.

Yours very truly,
Grant Thornton LLP

Grant Thornton LLP

Enc

Note for 2014 tax return

- See Note for 2013 tax return. On Schedule 1 deducting reserves \$682,327 opening balance and \$1,632,190 ending balance. The credit balances are expenses that have been pushed from the I/S to B/S and are reductions to income for tax purposes. The \$682,327 was mistakenly added on the 2013 tax return and is being deducted on the 2014. This corrects the application of the regulatory expense.

	2014	2013
Reg Balances (w/o SMI)	\$1,632,191	\$738,194

**Scientific Research and Experimental
Development (SR&ED) Expenditures Claim****Use this form:**

- to provide technical information on your SR&ED projects;
- to calculate your SR&ED expenditures; and
- to calculate your qualified SR&ED expenditures for investment tax credits (ITC).

To claim an ITC, use either:

- Schedule T2SCH31, *Investment Tax Credit – Corporations*, or
- Form T2038(IND), *Investment Tax Credit (Individuals)*.

The information requested in this form and documents supporting your expenditures and project information (Part 2) are prescribed information.

Your SR&ED claim must be filed within 12 months of the filing due date of your income tax return.

To help you fill out this form, use the T4088, *Guide to Form T661*, which is available on our Web site: www.cra.gc.ca/sred.

Part 1 – General information

010 Name of claimant		Enter one of the following:	
INNPOWER CORPORATION		89242 2817 RC0001 Business number (BN)	
Tax year	From: 2014-01-01 Year Month Day		
	To: 2014-12-31 Year Month Day		
050 Total number of projects you are claiming this tax year:		Social insurance number (SIN)	
2			
100 Contact person for the financial information		105 Telephone number/extension	110 Fax number
LAURIE ANN COOLEGE		(705) 431-4321	
115 Contact person for the technical information		120 Telephone number/extension	125 Fax number
LAURIE ANN COOLEGE		(705) 431-4321	

151 If this claim is filed for a partnership, was Form T5013 filed? 1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No			
If you answered no to line 151, complete lines 153, 156 and 157.			
153	Names of the partners	156	%
		157	BN or SIN
1			
2			
3			
4			
5			

Part 2 - Project informationCRA internal form identifier 060
Code 1301

Complete a separate Part 2 for each project claimed this year.

Section A - Project identification**200** Project title (and identification code if applicable)

See schedule

Part 3 – Calculation of SR&ED expenditures

What did you spend on your SR&ED projects?

Section A – Select the method to calculate the SR&ED expenditures

I elect (choose) to use the following method to calculate my SR&ED expenditures and related investment tax credits (ITC) for this tax year.
I understand that my election is irrevocable (cannot be changed) for this tax year.

160 1 ☒ I elect to use the proxy method
(Enter "0" on line 360 and complete Part 5.)

162 1 ☐ I choose to use the traditional method
(Enter "0" on lines 355 and 502. Complete line 360.)

Section B – Calculation of allowable SR&ED expenditures (to the nearest dollar)

• SR&ED portion of salary or wages of employees directly engaged in the SR&ED:		
a) Employees other than specified employees for work performed in Canada	300 +	11,028
b) Specified employees for work performed in Canada	305 +	
Subtotal (add lines 300 and 305)	306 =	11,028
c) Employees other than specified employees for work performed outside Canada (subject to limitations – see guide)	307 +	
d) Specified employees for work performed outside Canada (subject to limitations – see guide)	309 +	
• Salary or wages identified on line 315 in prior years that were paid in this tax year	310 +	
• Salary or wages incurred in the year but not paid within 180 days of the tax year end	315	
• Cost of materials consumed in performing SR&ED	320 +	49,347
• Cost of materials transformed in performing SR&ED	325 +	
• Contract expenditures for SR&ED performed on your behalf:		
a) Arm's length contracts (see note 1)	340 +	12,688
b) Non-arm's length contracts (see note 1)	345 +	
• Lease costs of equipment used before 2014 :		
a) All or substantially all (90% of the time or more) for SR&ED	350 +	
b) Primarily (more than 50% of the time but less than 90%) for SR&ED. (Enter 50% of lease costs if you use the proxy method or enter "0" if you use the traditional method)	355 +	
• Overhead and other expenditures (enter "0" if you use the proxy method)	360 +	
• Third-party payments (see note 2) (complete Form T1263*)	370 +	
Total current SR&ED expenditures (add lines 306 to 370; do not add line 315) (Corporations may need to adjust line 118 of schedule T2SCH1)	380 =	73,063
• Capital expenditures for depreciable property available for use before 2014 (Do not include these capital expenditures on schedule T2SCH8)	390 +	
Total allowable SR&ED expenditures (add lines 380 and 390)	400 =	73,063

Section C – Calculation of pool of deductible SR&ED expenditures (to the nearest dollar)

Amount from line 400	420	73,063
Deduct		
• provincial government assistance for expenditures included on line 400	429 –	3,174
• other government assistance for expenditures included on line 400	431 –	
• non-government assistance for expenditures included on line 400	432 –	
• SR&ED ITCs applied and/or refunded in the prior year (see guide)	435 –	25,529
• sale of SR&ED capital assets and other deductions	440 –	
Subtotal (line 420 minus lines 429 to 440)	442 =	44,360
Add		
• repayments of government and non-government assistance that previously reduced the SR&ED expenditure pool	445 +	
• prior year's pool balance of deductible SR&ED expenditures (from line 470 of prior year T661)	450 +	
• SR&ED expenditure pool transfer from amalgamation or wind-up	452 +	
• amount of SR&ED ITC recaptured in the prior year	453 +	
Amount available for deduction (add lines 442 to 453) (enter positive amount only, include negative amount in income)	455 =	44,360
• Deduction claimed in the year (Corporations should enter this amount on line 411 of schedule T2SCH1)	460 –	44,360
Pool balance of deductible SR&ED expenditures to be carried forward to future years (line 455 minus 460)	470 =	

* Form T1263, Third-Party Payments for Scientific Research and Experimental Development (SR&ED)

Note 1 – For contract expenditures made after 2013, no amounts for purchasing or leasing capital property can be included.

Note 2 – For third-party payments made after 2013, no amounts for purchasing or leasing capital property can be included.

Part 4 – Calculation of qualified SR&ED expenditures for investment tax credit (ITC) purposes

The resulting amount is used to calculate your refundable and/or non refundable ITC.

Enter the breakdown between current and capital expenditures (to the nearest dollar)		Current Expenditures	Capital Expenditures
Total expenditures for SR&ED (from lines 380 and 390)	492	73,063	496
Add			
• payment of prior years' unpaid amounts (other than salary or wages) (see note 5)	500 +		
• prescribed proxy amount (complete Part 5) (Enter "0" if you use the traditional method)	502 +	5,920	
• expenditures on shared-use equipment for property acquired before 2014			504 +
• qualified expenditures transferred to you (see note 3) (complete Form T1146**)	508 +		510 +
Subtotal (add lines 492 to 508, and add lines 496 to 510)	511 =	78,983	512 =
Deduct (see note 4)			
• provincial government assistance	513 -	3,440	514 -
• other government assistance	515 -		516 -
• non-government assistance and contract payments	517 -		518 -
• current expenditures (other than salary or wages) not paid within 180 days of the tax year end (see note 5)	520 -		
• amounts paid in respect of an SR&ED contract to a person or partnership that is not a taxable supplier	528 -		
• 20% of expenditures included on lines 340 and 370 that were incurred after December 31, 2012	529 -	2,538	
• prescribed expenditures not allowed by regulations (see guide)	530 -		532 -
• other deductions (see guide)	533 -		535 -
• non-arm's length transactions			
– assistance allocated to you (complete Form T1145*)	538 -		540 -
– expenditures for non-arm's length SR&ED contracts (from line 345)	541 -		
– adjustments to purchases (limited to costs) of goods and services from non-arm's length suppliers (see guide)	542 -		543 -
– qualified expenditures you transferred (complete Form T1146**)	544 -		546 -
Subtotal (line 511 minus lines 513 to 544 and line 512 minus lines 514 to 546)	557 =	73,005	558 =
Qualified SR&ED expenditures (add lines 557 and 558)			559 = 73,005
Add			
• repayments of assistance and contract payments made in the year			560 +
Total qualified SR&ED expenditures for ITC purposes (add lines 559 and 560)			570 = 73,005

* Form T1145, *Agreement to Allocate Assistance for SR&ED Between Persons Not Dealing at Arm's Length*

** Form T1146, *Agreement to Transfer Qualified Expenditures Incurred in Respect of SR&ED Contracts Between Persons Not Dealing at Arm's Length*

Note 3 – On line 510 (capital) – Only include expenditures made before 2014 by the transferor (performer). Complete the latest version of Form T1146.

Note 4 – On lines 514, 516, 518, 532, 535, 540, 543 and 546 – Only include amounts related to expenditures of a capital nature made before 2014.

Note 5 – For arm's length contracts, only include 80% of the contract amount.

Part 5 – Calculation of prescribed proxy amount (PPA)

A notional amount representing your overhead and other expenditures.

This part calculates the PPA to enter on line 502 in Part 4. Do not complete this part if you have chosen to use the traditional method in Part 3 (line 162). You can only claim a PPA if you elected to use the proxy method for the year in Part 3 (line 160).

Special rules apply for specified employees. Calculate your salary base in Section A and the PPA in Section B.

Section A – Salary base

Salary or wages of employees other than specified employees (from lines 300 and 307) **810** + 11,028

Deduct

Bonuses, remuneration based on profits, and taxable benefits that were included on line 810 **812** – 265

Subtotal (line 810 minus 812) **814** = 10,763

Salary or wages of specified employees

850	852	854	856	858	860
Column 1	Column 2	Column 3	Column 4	Column 5	Column 6
Name of specified employee	Total salary or wages for the year (SR&ED and non-SR&ED) excluding bonuses, remuneration based on profits, and taxable benefits (to the nearest dollar)	% of time spent on SR&ED (maximum 75%)	Amount in column 2 multiplied by percentage in column 3	2.5 x A x B/365 A = Year's maximum pensionable earnings B = Number of days employed in tax year	Amount in column 4 or 5, whichever amount is less

(Enter total of column 6 on line 816)

816 +

Salary base (total of lines 814 and 816) **818** = 10,763

Section B – Prescribed proxy amount (PPA)

Enter 65% of the salary base (line 818) less 5% of the salary base for the number of 2013 calendar days in the tax year, and less 10% of the salary base for number of days after 2013 in the tax year (use the formula in the guide-line 820) **820** = 5,920

Enter the amount from line 820 on line 502 in Part 4 unless the overall cap on PPA applies to you.

(See the guide for explanation and example of the overall cap on PPA)

Part 6 – Project costs

Information requested in this part must be provided for all SR&ED projects claimed in the year. Expenditures should be recorded and allocated on a project basis.

750	752	754	756
Project title or identification code	Salary or wages in the tax year	Cost of materials in the tax year	Contract expenditures for SR&ED performed on your behalf in the tax year
	(Total of lines 306 to 309)	(Total of lines 320 and 325)	(Total of lines 340 and 345)
1. 2014-P1	9,085	49,347	1,408
2. 2014-P2	1,943		11,280
Total	11,028	49,347	12,688

Part 7 – Additional information

Expenditures for SR&ED performed by you in Canada (line 400 minus lines 307, 309, 340, 345, and 370) **605** 60,375

From the total you entered on line 605, estimate the percentage of distribution of the sources of funds for SR&ED performed within your organization.

		Canadian (%)	Foreign (%)
Internal	600	100.000	
Parent companies, subsidiaries, and affiliated companies	602		604
Federal grants (do not include funds or tax credits from SR&ED tax incentives)	606		
Federal contracts	608		
Provincial funding	610		
SR&ED contract work performed for other companies on their behalf	612		614
Other funding (e.g., universities, foreign governments)	616		618

For statistical purposes indicate whether the work you performed falls within the realm of Basic or Applied research (to advance scientific knowledge) or Experimental development (to achieve a technological advancement):

620 1 ☐ Basic or Applied research **622** 1 ☒ Experimental development

Enter the number of SR&ED personnel in full-time equivalents (FTE):

Scientists and engineers	632	1
Technologists and technicians	634	
Managers and administrators	636	
Other technical supporting staff	638	

Part 8 – Claim checklist

To ensure your claim is complete, make sure you have:

1. used the current version of this form ☒
2. entered the method you have chosen for reporting your SR&ED expenditures in Section A of Part 3 ☒
3. completed Part 2 for each project ☒
4. filed a completed Schedule T2SCH31 or Form T2038(IND) to claim ITCs on your qualified SR&ED expenditures ☒
5. filed a completed Form T1145*, T1146**, T1174*** and/or T1263**** including any required attachments, if applicable ☒

To expedite the processing of your claim, make sure you have:

1. completed Form T2, *Corporation Income Tax Return* or Form T1, *Income Tax and Benefit Return* ☒
2. filed the appropriate provincial and/or territorial tax credit forms, if applicable ☒
3. retained documents to support the SR&ED work performed and SR&ED expenditures you claimed ☒
4. checked boxes 231 and 232 on page 2 of your T2 return to indicate attachment of Form T661 and Schedule T2SCH31 ☒

* Form T1145, *Agreement to Allocate Assistance for SR&ED Between Persons Not Dealing at Arm's Length*

** Form T1146, *Agreement to Transfer Qualified Expenditures Incurred in Respect of SR&ED Contracts Between Persons Not Dealing at Arm's Length*

*** Form T1174, *Agreement Between Associated Corporations to Allocate Salary or Wages of Specified Employees for Scientific Research and Experimental Development (SR&ED)*

**** Form T1263, *Third-Party Payments for Scientific Research and Experimental Development (SR&ED)*

Part 9 – Claim preparer information

Information requested in this part must be provided for each claim preparer that has accepted consideration to prepare or assist in the preparation of this SR&ED claim. Certification is required on lines 935, 970, and 975.

A \$1000 penalty may be assessed if the information requested below about the claim preparer(s) and billing arrangement(s), is missing, incomplete, or inaccurate. Where a claim preparer has prepared or assisted in the preparation of this SR&ED form, the claimant and the claim preparer will be jointly and severally, or solidarily, liable for the penalty.

935 Was a claim preparer engaged in any aspect of the preparation of this SR&ED claim?

- 1 ☒ Yes (complete the claim preparer information table and lines 970 and 975 below)
2 ☐ No (complete lines 970 and 975)

Claim preparer information table

940	945	950	955	960	965
Name of claim preparer (company or individual)	Business number	Billing arrangement code (see codes*)	Billing rate (percentage, hourly/daily rate or flat fee)	Other billing arrangement(s) (Maximum 10 words)	Total fee paid, payable, or expected to pay
1. Grant Thornton LLP	12194 0282 RC0001	1	17.50		1,916
Total					1,916

*** Billing arrangement codes**

Code	Type of billing arrangement
1	Contingency fee arrangement – where the fee is based on a percentage of the investment tax credit earned
2	Hourly rate
3	Daily rate
4	Flat fee arrangement (lump sum)
5	Other arrangements – describe the arrangement in box 960 in 10 words or less

970 I, LAURIE ANN COOLEDGE, certify that the information provided in this part is complete

Name of authorized signing officer of the corporation, or individual (print)
and accurate.

Signature

975 2015-06-29
Year Month Day

Part 10 – Certification

I certify that I have examined the information provided on this form and on the attachments and it is true, correct, and complete.

165 LAURIE ANN COOLEDGE

Name of authorized signing officer of the corporation, or individual

Signature

170 2015-06-29
Date

175 Grant Thornton LLP

Name of person/firm who completed this form

Privacy Notice

Personal information is collected pursuant to subsections 37(1), 37(11), and 162(5.1) of the *Income Tax Act* (the Act) and is used for verification of compliance, administration and enforcement of the Scientific Research and Experimental Development (SR&ED) program requirements.

Information may also be used for the administration and enforcement of other provisions of the Act, including assessment, audit, enforcement, collections, and appeals, and may be disclosed under information-sharing agreements in accordance with the Act. Incomplete or inaccurate information may result in assessment of monetary penalties and delays in processing SR&ED claims.

The social insurance number is collected pursuant to section 237 of the Act and is used for identification purposes.

Information is described in personal information bank CRA PPU 441 "Scientific Research and Experimental Development" in the Canada Revenue Agency (CRA) chapter of *Info Source*. Personal information is protected under the *Privacy Act*, and individuals have a right of access to, correction, and protection of their personal information. Further details regarding requests for personal information at the CRA and our *Info Source* chapter can be found at www.cra.gc.ca/atip.

Part 2 – Project information (continued)Project number **1**

CRA internal form identifier 060

Code 1301

Complete a separate Part 2 for each project claimed this year.

Section A – Project identification**200** Project title (and identification code if applicable)

2014-P1

202 Project start date

2012-01

Year Month

204 Completion or expected completion date

2015-11

Year Month

206 Field of science or technology code

(See guide for list of codes)

2.02.01

Electrical and electronic engineering

Project claim history

208 1 ☒ Continuation of a previously claimed project**210** 1 ☐ First claim for the project**218** Was any of the work done jointly or in collaboration with other businesses?1 ☐ Yes2 ☒ NoIf you answered **yes** to line 218, complete lines 220 and 221.**220** Names of the businesses**221**

BN

1

Section B – Project descriptions**242** What scientific or technological uncertainties did you attempt to overcome?
(Maximum 50 lines)

1. P1 – Advanced Techniques for Power Communication System Design

2.

3. Innpower Corporation specializes in the development of power engineering

4. techniques for high voltage power distribution industrial components.

5.

6. In FY12 and FY13 we identified that the existing SCADA communications network

7. based on 900 MHz unlicensed radio frequencies contained insufficient data

8. bandwidth to support the additional equipment that needed to be added to the

9. network going forward (>1 Mbit/s, with 99.999% reliability). In FY13 we

10. developed a multi-frequency network system (1.8, 18 and 23 GHz) which was

11. shown to achieve the necessary performance in a lab setup, however this setup

12. could not test the effect of issues such as large distances between nodes and

13. weather related effects.

14.

15. In FY14 we began performing preliminary field testing of the system and found

16. that the system was able to handle the sample data sets more efficiently than

17. was expected, and thus additional data sources could be added. Based on this

18. finding we expanded the scope of this project to include automation components

19. (such as reclosures) and security video feeds, and by doing so encountered the

20. following technological uncertainties:

21. – Some of the data streams, such as the automation components, require a

22. very low latency (<15 ms), while others are less critical (40ms, 100ms or up

23. to 5000ms). In addition, most of the data sources were non-deterministic. We

24. were uncertain of the methodology to interlace the different data streams to

25. be able to achieve the necessary latency requirements (quality of service) for

26. each data source over the large distances required between stations with

27. 99.999% reliability

28. – We were also uncertain of the methodology to handle increases in the

29. number of sources (which are expected to be added in the future) without

30. having to constantly rebalance the network parameters

31.

32.

33.

34.

35.

36.

37.

242 What scientific or technological uncertainties did you attempt to overcome?
(Maximum 50 lines)

38.
39.
40.

244 What work did you perform in the tax year to overcome the scientific or technological uncertainties described in line 242?
(Summarize the systematic investigation or search) (Maximum 100 lines)

1. We began this phase of the project by developing a model of the various
2. sources in the worst case sectors using NS2, and experimenting with benchmark
3. trials such as RFC2554 testing in a lab setup. We employed the 16D standard
4. over WiMAX to link the base station to 7 CPEs with various sources, running 2
5. bidirectional traffic flows to each CPE (128 kbits / sec for UGX and 512 kbits
6. / sec for best effort) and analyzed the performance. We found that after
7. experimentation we were able to load balance the high priority automation
8. signals to be between 20 and 25 ms, however as additional CPE's were added the
9. system required significant readjustment to maintain the same performance. To
10. overcome this problem we tried implementing the 16E standard using NS3, even
11. though this protocol is intended for mobile deployments, because we thought
12. that its underlying architecture would be more flexible and result in less
13. extensive readjustments. This was successful, however the latency of the
14. automation sources was found to be consistently higher than our target goals,
15. and we knew that they would only worsen in field testing with longer distances
16. between sources.

17.
18. Next we experimented with packet size, adjusting the percentage of UGX
19. (predefined bandwidth) and best effort (max available bandwidth) and different
20. AAA methods and developed a model to prioritize the lower latency sources.
21. This effort was non-trivial to develop based on the large variety of different
22. types of signals which ran at different frequencies which could have a wide
23. range of possible packet sizes. The model was found to hold up in bench
24. trials; it was able to adapt its balance parameters even when multiple sources
25. awoke out of quiescent mode simultaneously and the when large packet sizes
26. coincided between different sources. With this model we were able to achieve
27. our latency goals in the lab setup.

28.
29. We then setup field testing with a base station and 10 CPE's, using the model
30. we developed with various signal sources. CPE's were situated a few hundred
31. meters apart. We found that the model architecture was sound; however we were
32. only able to achieve 20ms latency for the automation sources. We hypothesized
33. that the difference lay in the larger distance between sources and minor
34. interferences with neighboring signals, so we continued to develop the model
35. further. This work led to a slight improvement; however by the end of FY14 we
36. have still been unable to reach our target latency goals.

37.
38.

246 What scientific or technological advancements did you achieve or attempt to achieve as a result of the work described in line 244? (Maximum 50 lines)

1. Through the work we undertook during this project we advanced our
2. understanding of network optimization with multiple CPE's of different types.
3. We developed a load balancing model which was able to auto-adjust based on
4. different number of sources and packet sizes. However, although we were able
5. to prove that the model works in small-scale field testing we were not able to
6. achieve our target latency goals.

7.
8. We consider this project ongoing. In FY15 we plan to experiment with
9. different hardware and further develop our auto-balancing model, as well as
10. conduct field testing with distances more representative of the final network
11. configuration (tens of km between sources) in an attempt to reach our goals.
12.

13.

Section C – Additional project information

Who prepared the responses for Section B?

253	1 <input checked="" type="checkbox"/> Employee directly involved in the project	254	Name Ali Syed
255	1 <input type="checkbox"/> Other employee of the company	256	Name
257	1 <input checked="" type="checkbox"/> External consultant	258	Name Grant Thornton LLP
		259	Firm Grant Thornton LLP

List the key individuals directly involved in the project and indicate their qualifications/experience.

260	Names	261	Qualifications/experience and position title
1	Ali Syed		Smart Grid Engineer, 5+ years industry experience
2			
3			

265	Are you claiming any salary or wages for SR&ED performed outside Canada?	1 <input type="checkbox"/> Yes	2 <input checked="" type="checkbox"/> No
266	Are you claiming expenditures for SR&ED carried out on behalf of another party?	1 <input type="checkbox"/> Yes	2 <input checked="" type="checkbox"/> No
267	Are you claiming expenditures for SR&ED performed by people other than your employees?	1 <input checked="" type="checkbox"/> Yes	2 <input type="checkbox"/> No

If you answered **yes** to line 267, complete lines 268 and 269.

268	Names of individuals or companies	269	BN
1	Cooper Power Systems		14543 9956 RT0001

What evidence do you have to support your claim? (Check any that apply)

You do not need to submit these items with the claim. However, you are required to retain them in the event of a review.

270	1 <input checked="" type="checkbox"/> Project planning documents	276	1 <input type="checkbox"/> Progress reports, minutes of project meetings
271	1 <input checked="" type="checkbox"/> Records of resources allocated to the project, time sheets	277	1 <input checked="" type="checkbox"/> Test protocols, test data, analysis of test results, conclusions
272	1 <input checked="" type="checkbox"/> Design of experiments	278	1 <input type="checkbox"/> Photographs and videos
273	1 <input type="checkbox"/> Project records, laboratory notebooks	279	1 <input type="checkbox"/> Samples, prototypes, scrap or other artefacts
274	1 <input type="checkbox"/> Design, system architecture and source code	280	1 <input checked="" type="checkbox"/> Contracts
275	1 <input type="checkbox"/> Records of trial runs	281	1 <input type="checkbox"/> Others, specify 282

Part 2 – Project information (continued)Project number **2**CRA internal form identifier 060
Code 1301

Complete a separate Part 2 for each project claimed this year.

Section A – Project identification**200** Project title (and identification code if applicable)

2014-P2

202 Project start date

2013-03

Year Month

204 Completion or expected completion date

2014-11

Year Month

206 Field of science or technology code
(See guide for list of codes)

2.02.09

Software engineering and technology

Project claim history

208 1 ☐ Continuation of a previously claimed project**210** 1 ☒ First claim for the project**218** Was any of the work done jointly or in collaboration with other businesses? 1 ☐ Yes 2 ☒ NoIf you answered **yes** to line 218, complete lines 220 and 221.**220** Names of the businesses**221** BN

1

Section B – Project descriptions**242** What scientific or technological uncertainties did you attempt to overcome?
(Maximum 50 lines)

1. P2 – Integration of Asset Management and Engineering Analysis Software with
2. High Performance
- 3.
4. Innpower Corporation specializes in the development of power engineering
5. techniques for high voltage power distribution industrial components.
- 6.
7. In FY13 we completed a similar project where we successfully developed custom
8. translation mechanisms using MultiSpeak to integrate geographical information
9. (GIS) data into our Outage Management System (OMS) to be able to identify
10. outage locations, infer patterns based on received data, and prioritize power
11. restoration efforts.
- 12.
13. In FY14 we sought to integrate this GIS data into existing engineering
14. analysis software (CYME) to allow for complex load and power analysis
15. calculations based on geographic data and real-world assets. We hypothesized
16. that we could use MultiSpeak again to facilitate this transfer; however the
17. types of data that CYME requires is significantly different than the types of
18. data that OMS requires, and much of it is not available from within GIS.
19. Examples include:
20. - While OMS requires information related to the meter values and customer
21. details, CYME requires the type of meter and the load it is drawing; this
22. information is not available.
23. - CYME requires conductor sizes and switch details; however many of the
24. electrical distribution equipment in the town of Innisfil are several decades
25. old and proper records do not exist.
- 26.
27. We were uncertain of the design methodology that would allow us to automate
28. the import of the GIS data and resolve the errors and missing data
29. satisfactorily, compared to real world equipment. Our initial attempts
30. included estimating values for some of the missing engineering data based on
31. known information and employing data import techniques from the previous GIS
32. to OMS. However, these attempts failed due to the generation of a significant
33. amount of data integrity errors. To address these technological uncertainties
34. we began a systematic investigation to advance our understanding of data
35. interfacing techniques between GIS and CYME. To our knowledge, no such
36. techniques exist or are readily available off the shelf.
- 37.

242 What scientific or technological uncertainties did you attempt to overcome?
(Maximum 50 lines)

38.
39.
40.
41.

244 What work did you perform in the tax year to overcome the scientific or technological uncertainties described in line 242?
(Summarize the systematic investigation or search) (Maximum 100 lines)

1. Analysis of the import errors revealed that much of the legacy data for older
2. equipment was organized in many different ways for different map regions,
3. depending on the type of equipment, complicating automatic data translation.
4. Initial attempts at resolving these discrepancies did not take this complexity
5. into account, and further attempts using replacement rules revealed that this
6. method was inefficient due to the large amount of data involved (approx. 250km
7. of conductor data, 18,000 customer meters, 10,000 transformers, 1000
8. protection / switching devices). To overcome this problem we developed
9. customized algorithms for naming translations based on the expected
10. information for each type of equipment and the pattern of information found
11. for each type of equipment in the GIS database. These algorithms were
12. steadily improved and helped to resolve most of the translation errors over
13. time. However we also found that in some cases the assignment of nodes and
14. junctions within CYME did not align with the data in GIS, resulting in mapping
15. failures. The issue related to junction points; GIS can accept line sections
16. and transformer connections that appear to join at a common location but
17. actually are separated by a small amount, however CYME cannot tolerate this.
18. We had previously developed customized encapsulation mechanisms to resolve
19. similar errors and improve data integrity for integration into OMS, however
20. these did not resolve all of these new errors because OMS only dealt with
21. primary conductors, while CYME also requires data relating to secondary
22. sources, transformers and meters. New techniques were developed to handle
23. these sources, which required new algorithms to resolve missing parent-child
24. relationships that were affected by these errors. After a few iterations we
25. succeeding in resolving these issues; however, a significant amount of
26. specific data was found to be missing from legacy systems which generated
27. further errors.

28.
29. To address this issue we developed further customized algorithms based on
30. engineering rules to estimate the missing information; this was a non-trivial
31. task based on the vast amounts of missing or partial information and due to
32. the realization that some data for equipment older than 10 years was erroneous
33. and needed to be corrected. Part of this development required measurement of
34. older equipment in the field as inputs to these algorithms, and confirmation
35. of final calculated values. This approach was ultimately successful and was
36. used as part of the final solution.

37.
38. These solutions were successfully implemented on several large sites
39. containing various equipment types, and thus we considered the technological
40. uncertainties to be resolved. Further work on other, similar equipment at
41. other site locations is not included in the SRED claim.

42.
43.
44.

246 What scientific or technological advancements did you achieve or attempt to achieve as a result of the work described in line 244? (Maximum 50 lines)

1. As a direct result of our research and development activities, we have
2. achieved the following specific technological advancements:
3. - We developed custom pattern-based naming translation algorithms to
4. automate the import of legacy GIS data into CYME
5. - We developed customized encapsulation mechanisms to resolve node and

6. junction errors during import into CYME
7. - We developed custom rule based algorithms based on engineering data and
8. age to estimate missing legacy information
- 9.
- 10.

Section C – Additional project information

Who prepared the responses for Section B?

253	1 <input checked="" type="checkbox"/> Employee directly involved in the project	254	Name Ali Syed		
255	1 <input type="checkbox"/> Other employee of the company	256	Name		
257	1 <input checked="" type="checkbox"/> External consultant	258	Name Grant Thornton LLP	259	Firm Grant Thornton LLP

List the key individuals directly involved in the project and indicate their qualifications/experience.

260	Names	261	Qualifications/experience and position title
1	Ali Syed		Smart Grid Engineer, 5+ years industry experience
2			
3			

- 265** Are you claiming any salary or wages for SR&ED performed outside Canada? 1 ☐ Yes 2 ☒ No
- 266** Are you claiming expenditures for SR&ED carried out on behalf of another party? 1 ☐ Yes 2 ☒ No
- 267** Are you claiming expenditures for SR&ED performed by people other than your employees? 1 ☒ Yes 2 ☐ No

If you answered **yes** to line 267, complete lines 268 and 269.

268	Names of individuals or companies	269	BN
1	Cooper Power Systems		14543 9956 RT0001
2	Brockwell IT Consulting Canada Inc.		83265 5054 RT0001

What evidence do you have to support your claim? (Check any that apply)

You do not need to submit these items with the claim. However, you are required to retain them in the event of a review.

270	1 <input checked="" type="checkbox"/> Project planning documents	276	1 <input type="checkbox"/> Progress reports, minutes of project meetings
271	1 <input checked="" type="checkbox"/> Records of resources allocated to the project, time sheets	277	1 <input checked="" type="checkbox"/> Test protocols, test data, analysis of test results, conclusions
272	1 <input checked="" type="checkbox"/> Design of experiments	278	1 <input type="checkbox"/> Photographs and videos
273	1 <input type="checkbox"/> Project records, laboratory notebooks	279	1 <input type="checkbox"/> Samples, prototypes, scrap or other artefacts
274	1 <input type="checkbox"/> Design, system architecture and source code	280	1 <input checked="" type="checkbox"/> Contracts
275	1 <input type="checkbox"/> Records of trial runs	281	1 <input type="checkbox"/> Others, specify 282

Canada Revenue
AgencyAgence du revenu
du Canada

T2 Corporation Income Tax Return

200

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

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

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

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

055 Do not use this area

Identification

Business number (BN) 001 89242 2817 RC0001

Corporation's name

002 INPOWER CORPORATION

Address of head office

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

(If yes, complete lines 011 to 018.)

011 7251 Yonge St

012

City

Province, territory, or state

015 INNISFIL

016 ON

Country (other than Canada)

Postal code/Zip code

017

018 L9S 0J3

Mailing address (if different from head office address)

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

(If yes, complete lines 021 to 028.)

021 c/o

022 7251 Yonge St

023

City

Province, territory, or state

025 INNISFIL

026 ON

Country (other than Canada)

Postal code/Zip code

027

028 L9S 0J3

Location of books and records (if different from head office address)

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

(If yes, complete lines 031 to 038.)

031 7251 Yonge St

032

City

Province, territory, or state

035 INNISFIL

036 ON

Country (other than Canada)

Postal code/Zip code

037

038 L9S 0J3

040 Type of corporation at the end of the tax year

- 1 ☒ Canadian-controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation
- 2 ☐ Other private corporation 5 ☐ Other corporation (specify, below)
- 3 ☐ Public corporation

If the type of corporation changed during the tax year, provide the effective date of the change 043

YYYY MM DD

To which tax year does this return apply?

Tax year start

060 2014-01-01

YYYY MM DD

Tax year-end

061 2014-12-31

YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the tax year start on line 060? 063 1 Yes ☐ 2 No ☒

If yes, provide the date control was acquired 065

YYYY MM DD

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? 066 1 Yes ☐ 2 No ☒Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? 070 1 Yes ☐ 2 No ☒Amalgamation? 071 1 Yes ☐ 2 No ☒

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

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

If yes, complete and attach Schedule 24.

Is this the final tax year before amalgamation? 076 1 Yes ☐ 2 No ☒Is this the final return up to dissolution? 078 1 Yes ☐ 2 No ☒

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

Is the corporation a resident of Canada?

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

081

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

If yes, complete and attach Schedule 91.

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

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

Do not use this area

095

096

898

Attachments**Financial statement information:** Use GIFI schedules 100, 125, and 141.**Schedules** – Answer the following questions. For each **yes** response, **attach** the schedule to the T2 return, unless otherwise instructed.

	Yes	Schedule
Is the corporation related to any other corporations?	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 federal <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"/>	88
Does the corporation earn income from one or more Internet webpages or websites?	180 <input type="checkbox"/>	1
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"/>	2
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; gifts of cultural or ecological property; or gifts of medicine?	202 <input type="checkbox"/>	3
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203 <input checked="" type="checkbox"/>	4
Is the corporation claiming any type of losses?	204 <input checked="" type="checkbox"/>	5
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205 <input checked="" type="checkbox"/>	6
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206 <input type="checkbox"/>	7
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or	207 <input type="checkbox"/>	8
ii) does the corporation have aggregate investment income at line 440?	208 <input checked="" type="checkbox"/>	10
Does the corporation have any property that is eligible for capital cost allowance?	210 <input checked="" type="checkbox"/>	12
Does the corporation have any property that is eligible capital property?	212 <input type="checkbox"/>	13
Does the corporation have any resource-related deductions?	213 <input type="checkbox"/>	16
Is the corporation claiming deductible reserves (other than transitional reserves under section 34.2)?	216 <input type="checkbox"/>	17
Is the corporation claiming a patronage dividend deduction?	217 <input type="checkbox"/>	18
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	218 <input type="checkbox"/>	20
Is the corporation an investment corporation or a mutual fund corporation?	220 <input type="checkbox"/>	21
Is the corporation carrying on business in Canada as a non-resident corporation?	221 <input type="checkbox"/>	27
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	227 <input type="checkbox"/>	31
Does the corporation have any Canadian manufacturing and processing profits?	231 <input checked="" type="checkbox"/>	T661
Is the corporation claiming an investment tax credit?	232 <input checked="" type="checkbox"/>	33/34/35
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	233 <input checked="" type="checkbox"/>	37
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	234 <input checked="" type="checkbox"/>	38
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	237 <input type="checkbox"/>	42
Is the corporation claiming a surtax credit?	242 <input type="checkbox"/>	43
Is the corporation subject to gross Part VI tax on capital of financial institutions?	243 <input type="checkbox"/>	45
Is the corporation claiming a Part I tax credit?	244 <input type="checkbox"/>	46
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	249 <input type="checkbox"/>	39
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	250 <input type="checkbox"/>	T1131
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	253 <input type="checkbox"/>	T1177
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?	254 <input type="checkbox"/>	92
Is the corporation claiming a Canadian film or video production tax credit refund?	255 <input type="checkbox"/>	
Is the corporation claiming a film or video production services tax credit refund?		
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)		

Attachments – continued from page 2

	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	<input checked="" type="checkbox"/>	T1134
Did the corporation own specified foreign property in the year with a cost amount over \$100,000?	<input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	<input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	<input 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 checked="" 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 ☐ 2 No ☒

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

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

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

284	Electricity Distributor	285	100.000 %
286		287	%
288		289	%

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

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

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

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

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

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL. **300** -2,628,916 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 **355**

Subtotal (amount A minus amount B) (if negative, enter "0") **360**

Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions **370**

Taxable income (amount C plus amount D) **370**

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) **370**

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

Small business deduction

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

Income from active business carried on in Canada from Schedule 7	400	A
Taxable income from line 360 on page 3, minus 100/28 3.57143 of the amount on line 632* on page 7, minus 4 times the amount on line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax	405	B
Business limit (see notes 1 and 2 below)	410	500,000 C

Notes:

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

Business limit reduction:

Amount C	500,000	x	415 ***	64,043	D	=	2,846,356	E
				11,250				

Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	F
--	------------	---

Small business deduction

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

Enter amount G on line I on page 7.

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

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

*** Large corporations

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

- General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from page 3 (line 360 or amount Z, whichever applies)	.....	A
Lesser of amounts V and Y (line Z1) from Part 9 of Schedule 27	.....	B
Amount QQ from Part 13 of Schedule 27	.....	C
Personal service business income	..... 432	D
Amount used to calculate the credit union deduction (amount F from Schedule 17)	.....	E
Amount from line 400, 405, 410, or 425 on page 4, whichever is the least	.....	F
Aggregate investment income from line 440 on page 6*	.....	G
Subtotal (add amounts B to G)	..... ▶ .....	H
Amount A minus amount H (if negative, enter "0")	.....	I
General tax reduction for Canadian-controlled private corporations – Amount I multiplied by	13 %	J
Enter amount J on line 638 on page 7.		

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

General tax reduction

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

Taxable income from page 3 (line 360 or amount Z, whichever applies)	.....	K
Lesser of amounts V and Y (line Z1) from Part 9 of Schedule 27	.....	L
Amount QQ from Part 13 of Schedule 27	.....	M
Personal service business income	..... 434	N
Amount used to calculate the credit union deduction (amount F from Schedule 17)	.....	O
Subtotal (add amounts L to O)	..... ▶ .....	P
Amount K minus amount P (if negative, enter "0")	.....	Q
General tax reduction – Amount Q multiplied by	13 %	R
Enter amount R on line 639 on page 7.		

Refundable portion of Part I tax**Canadian-controlled private corporations throughout the tax year**Aggregate investment income **440** x 26 2 / 3 % = A
from Schedule 7

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

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

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

Taxable income from line 360 on page 3 F

Deduct:Amount from line 400, 405, 410, or 425 on page 4,
whichever is the least GForeign non-business
income tax credit
from line 632 on page 7 . . . x 100 / 35 = HForeign business income
tax credit from line 636 on
page 7 x 4 = I
Subtotal JK
x 26 2 / 3 % = L

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

Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450** N**Refundable dividend tax on hand**Refundable dividend tax on hand at the end of the previous tax year **460****Deduct:** Dividend refund for the previous tax year **465** O**Add the total of:**

Refundable portion of Part I tax from line 450 above P

Total Part IV tax payable from Schedule 3 Q

Net refundable dividend tax on hand transferred from a predecessor corporation on
amalgamation, or from a wound-up subsidiary corporation **480** R**Refundable dividend tax on hand at the end of the tax year** – Amount O plus amount R **485****Dividend refund****Private and subject corporations at the time taxable dividends were paid in the tax year**

Taxable dividends paid in the tax year from line 460 on page 2 of Schedule 3 468,750 x 1 / 3 = 156,250 S

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

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

Enter amount U on line 784 on page 8.

Part I tax

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

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

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

Aggregate investment income from line 440 on page 6 C

Taxable income from line 360 on page 3 D

Deduct:

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

Net amount (amount D minus amount E) F

Refundable tax on CCPC's investment income – 6 2 / 3 % of whichever is less: amount C or amount F **604** G

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

Deduct:

Small business deduction from line 430 on page 4 I

Federal tax abatement **608**

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

Investment corporation deduction **620**

Taxed capital gains **624**

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

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

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

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

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

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

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

Federal qualifying environmental trust tax credit **648**

Investment tax credit from Schedule 31 **652**

Subtotal J

Part I tax payable – Amount H minus amount J K

Enter amount K on line 700 on page 8.

Summary of tax and credits

Federal tax

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

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)

Total federal tax

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

12,326

12,326

12,326 B

Refund code **894** 1 Overpayment 12,326 Balance (amount A minus amount B) -12,326

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 C1433

Certification

I, **950** COOLEDGE **951** LAURIE ANN **954** Treasurer
Last name (print) First name (print) Position, office, or rank

I 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 2015-06-29

Date (yyyy/mm/dd)

Signature of the authorized signing officer of the corporation

956 (705) 431-4321

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

Canada Revenue Agency
Agence du revenu
du Canada

SCHEDULE 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF1

Form identifier 100

Corporation's name	Business number	Tax year end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

Balance sheet information

Account	Description	GIFI	Current year	Prior year
Assets				
	Total current assets	1599 +	10,496,081	8,274,580
	Total tangible capital assets	2008 +	78,087,864	65,179,086
	Total accumulated amortization of tangible capital assets	2009 -	31,686,257	30,611,414
	Total intangible capital assets	2178 +		
	Total accumulated amortization of intangible capital assets	2179 -		
	Total long-term assets	2589 +	2,806,158	2,819,513
	* Assets held in trust	2590 +		
	Total assets (mandatory field)	2599 =	59,703,846	45,661,765

Liabilities				
	Total current liabilities	3139 +	23,843,530	13,558,410
	Total long-term liabilities	3450 +	20,103,432	16,266,018
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 =	43,946,962	29,824,428

Shareholder equity

	Total shareholder equity (mandatory field)	3620 +	15,756,884	15,837,337
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	Total liabilities and shareholder equity	3640 =	59,703,846	45,661,765
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Retained earnings

	Retained earnings/deficit – end (mandatory field)	3849 =	4,348,820	4,429,273
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* Generic item

Canada Revenue Agency
Agence du revenu
du Canada

SCHEDULE 125

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

Income statement information

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

Account	Description	GIFI	Current year	Prior year
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Income statement information

Total sales of goods and services	8089 +	35,501,470	33,141,138
Cost of sales	8518 -	27,773,907	25,531,065
Gross profit/loss	8519 =	7,727,563	7,610,073
Cost of sales	8518 +	27,773,907	25,531,065
Total operating expenses	9367 +	7,544,613	7,099,489
Total expenses (mandatory field)	9368 =	35,318,520	32,630,554
Total revenue (mandatory field)	8299 +	36,199,359	33,625,778
Total expenses (mandatory field)	9368 -	35,318,520	32,630,554
Net non-farming income	9369 =	880,839	995,224

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 =	880,839	995,224
--	--------	---------	---------

Total other comprehensive income	9998 =		
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Extraordinary items and income (linked to Schedule 140)

Extraordinary item(s)	9975		
Legal settlements	9976 -		
Unrealized gains/losses	9980 +		
Unusual items	9985 -		
Current income taxes	9990 -	-26,458	-50,248
Future (deferred) income tax provision	9995 -	519,000	826,500
Total – Other comprehensive income	9998 +		
Net income/loss after taxes and extraordinary items (mandatory field)	9999 =	388,297	218,972



Notes Checklist

Corporation's name INNPOWER CORPORATION	Business number 89242 2817 RC0001	Tax year-end Year Month Day 2014-12-31
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- Parts 1, 2, and 3 of this schedule must be completed from the perspective of the person (referred to in these parts as the **accountant**) who prepared or reported on the financial statements. If the person preparing the tax return is not the accountant referred to above, they must still complete Parts 1, 2, 3, and 4, as applicable.
- For more information, see Guide RC4088, *General Index of Financial Information (GIFI)* and T4012, *T2 Corporation – Income Tax Guide*.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

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

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

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

Note

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

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

Part 2 – Type of involvement with the financial statements

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

Completed an auditor's report 1 ☒

Completed a review engagement report 2 ☐

Conducted a compilation engagement 3 ☐

Part 3 – Reservations

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

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

Part 4 – Other information

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

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

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

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

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

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

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

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

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

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

Part 4 – Other information (continued)

Impairment and fair value changes

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

200 1 Yes ☐ 2 No ☒

If yes, enter the amount recognized:

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

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)? **250** 1 Yes ☐ 2 No ☒

Did the corporation apply hedge accounting during the tax year? **255** 1 Yes ☐ 2 No ☒

Did the corporation discontinue hedge accounting during the tax year? **260** 1 Yes ☐ 2 No ☒

Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year? **265** 1 Yes ☐ 2 No ☒

If yes, you have to maintain a separate reconciliation.

T2 BAR CODE RETURN

Name: INNPOWER CORPORATION

BN: 89242 2817 RC 0001

Tax Year Start: 2014-01-01

Tax Year End: 2014-12-31

InnPower Corporation

Notes to the Financial Statements

December 31, 2014

1. Nature of operations

The Company distributes electricity under license from the Ontario Energy Board (OEB). The Electricity Act, 1998 provides for a competitive marketplace in the sale of electricity. The Ontario Energy Board Act, 1998 (Ontario) (OEBA) conferred on the Ontario Energy Board (OEB) increased powers and responsibilities to regulate the electricity industry. These powers and responsibilities include the power to approve or fix rates for the transmission and distribution of electricity, the power to provide continued rate protection for rural and remote electricity consumers, and the responsibility for ensuring that distribution companies fulfil obligations to connect and service customers. The OEB may also prescribe license requirements and conditions to electricity distributors, which may include among other things, specified accounting records, regulatory accounting principles, separation of accounts for distinct businesses and filing and process requirements for rate setting purposes.

2. Summary of significant accounting policies

Cash and cash equivalents

Cash and cash equivalents include cash, bank indebtedness, and bank balances.

Use of estimates

Name: INNPOWER CORPORATION**BN: 89242 2817 RC 0001****Tax Year Start: 2014-01-01****Tax Year End: 2014-12-31**

Management reviews the carrying amount of items in the financial statements at each balance sheet date to assess the need for revision or any possibility of impairment. Items subject to management estimates include: allowance for doubtful accounts and amortization periods for property, plant and equipment. Management determines these estimates based on assumptions that reflect the most probable set of economic conditions and planned courses of action.

These estimates are reviewed periodically and adjustments are made to net income as appropriate in the year they become known.

Revenue recognition

Sale of power, distribution and related revenues are based on OEB approved unbundled rates and are recognized as power is delivered to customers. The Company estimates the revenue for the period based on customer's usage since the last meter-reading date to the end of the period. Unbilled revenue is recognized for customer usage not billed at December 31, 2014.

Other revenue, including miscellaneous service revenues and miscellaneous non-operating income are recognized as services are rendered. Other revenue, relating to late payment charges, pole rentals and interest revenue are recognized as they are earned and measurable. Scientific research and development tax credits (SRED) are recognized in other revenue when they have been applied for and are measurable.

InnPower Corporation

T2 BAR CODE RETURN

Name: INNPOWER CORPORATION

BN: 89242 2817 RC 0001

Tax Year Start: 2014-01-01

Tax Year End: 2014-12-31

Notes to the Financial Statements

December 31, 2014

2. Summary of significant accounting policies (Continued)

Inventory

Inventory consists of repair parts, supplies and materials held for future capital expansion and is valued at lower of average cost and estimated net realizable value. Costs include all acquisition costs incurred in bringing inventory to its present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less any applicable selling expenses. The Company classifies rebates received from vendors as a reduction to the cost of inventory. Amount of inventory expensed during the year was \$13,489 (2013 - \$15,552).

Rate-setting

The electricity distribution business is subject to rate regulation by the OEB. The OEB has the general power to include or exclude costs, revenues, losses or gains in the rates of a specific period, resulting in a change in

the timing of accounting recognition from that which would have applied in an unregulated company. This change in timing gives rise to the recognition of regulatory assets and liabilities. These regulatory assets and liabilities reflect the fact that revenue and expenses are recognized in the financial statements in different periods consistent with their inclusion in rates, as directed by the regulator, than would be the case for an enterprise that is unregulated. Specific regulatory assets and liabilities recognized at

Name: INNPOWER CORPORATION**BN: 89242 2817 RC 0001****Tax Year Start: 2014-01-01****Tax Year End: 2014-12-31**

December 31, 2014 are disclosed in Note 8.

The Company continually assesses the likelihood of recovery of each of its regulatory assets and liabilities and believes that it is probable that its regulatory assets and liabilities will be factored into the setting of future rates. If future recovery through rates is no longer considered probable, the appropriate carrying amount will be written off in the period the assessment is made.

Property and equipment retirement obligations

Canadian generally accepted accounting principles require the Company to determine the fair value of the future expenditures required to settle legal obligations to remove property and equipment on retirement. If reasonably estimable, a liability is recognized equal to the present value of the estimated future removal expenditures. An equivalent amount is capitalized as an inherent cost of the associated property and equipment.

Some of the Company's assets may have asset retirement obligations. As the Company expects to use the majority of its property and equipment for an indefinite period, no removal date can be determined and, consequently, a reasonable estimate of the fair value of any asset retirement obligations have not been made at this time.

Intangible assets

Intangible assets represent computer software and land rights. These assets are carried at cost net of accumulated amortization.

T2 BAR CODE RETURN

Name: INNPOWER CORPORATION

BN: 89242 2817 RC 0001

Tax Year Start: 2014-01-01

Tax Year End: 2014-12-31

InnPower Corporation

Notes to the Financial Statements

December 31, 2014

2. Summary of significant accounting policies (Continued)

Amortization

Property and equipment are recorded at cost less accumulated amortization.

Property and equipment that is under construction in process (CIP) is not amortized until it is ready for use.

Property and equipment and intangible assets are amortized using the straight-line method over periods approximating their estimated useful lives as follows:

Land rights 50 years

Building and fixtures 50 years

Distribution station 30 years

Distribution system 15-60 years

System supervisory equipment 15 years

Other equipment 5-10 years

Computer hardware 5 years

Computer software 3 years

Contributions in aid of construction 15-60 years

Name: INNPOWER CORPORATION**BN: 89242 2817 RC 0001****Tax Year Start: 2014-01-01****Tax Year End: 2014-12-31**

When property and equipment or intangible assets are sold, the cost of the asset and the related accumulated amortization is removed from the accounts, when identifiable from the accounts, with the resulting net gain or loss being included in operations for the year. When property and equipment is scrapped, the cost of the asset and the related accumulated amortization is removed from the accounts when it is identifiable.

Corporate income and capital taxes

The Company uses the liability method of tax allocation for accounting for income. Under the liability method of tax allocation, temporary differences arising from the difference between the tax basis of an asset or liability and its carrying amount on the balance sheet are used to calculate future income tax liabilities or assets. Future income tax liabilities or assets are measured using the substantially enacted tax rates and laws that will be in effect when the differences are expected to reverse. A valuation allowance is recognized to the extent the recoverability of future income tax assets are not considered more likely than not.

Under the Electricity Act, 1998, the Company is required to make payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation (OEFC). These payments are calculated in accordance with the rules for computing income and taxable capital and other relevant amounts contained in the Income Tax Act (Canada) and the Corporation Tax Act (Ontario) as modified by the Electricity Act, 1998 and related regulations.

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BN: 89242 2817 RC 0001

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InnPower Corporation

Notes to the Financial Statements

December 31, 2014

2. Summary of significant accounting policies (Continued)

Financial instruments, hedges, and comprehensive income

The Company has made the following classification for the purpose of measuring the value of the financial instruments:

" Cash and deposits at the Company have been classified as "held for trading". Cash and cash equivalents are classified as "held to maturity". They are initially measured at fair value and the gains and losses resulting from the revaluation at fair value at the end of each period are recognized in net income.

" Receivables are classified under "loans and receivables". They are recorded at cost, which, upon their initial measurement, is equal to their fair value. Subsequent measurements of receivables are recorded at amortized cost which usually corresponds to the amount initially recorded less any allowance for doubtful accounts.

" Payables and accruals, bank indebtedness, short term debt and long term debt are classified as "other financial liabilities". They are initially measured at fair value and the gains and losses resulting from their subsequent measurement at amortized cost, at the end of each period, are recognized in net income.

Name: INNPOWER CORPORATION**BN: 89242 2817 RC 0001****Tax Year Start: 2014-01-01****Tax Year End: 2014-12-31****3. Future accounting pronouncements****International Financial Reporting Standards**

The CICA has announced that Canadian publicly accountable enterprises will be required to adopt International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), effective January 1, 2011. The Canadian Accounting Standards Board (AcSB) subsequently released a ruling that qualifying entities with rate-regulated activities have the option to defer their adoption of IFRS until annual periods beginning on or after January 1, 2015. The Company has elected to adopt IFRS effective January 1, 2015.

IFRS will require increased financial statement disclosure. Although IFRS uses a conceptual framework similar to Canadian generally accepted accounting principles, there will be some differences in accounting policies that will need to be addressed. The Company is currently in the process of implementing its plan for the adoption of IFRS.

InnPower Corporation

Notes to the Financial Statements

December 31, 2014

4. Related party transactions 2014 2013

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Tax Year Start: 2014-01-01

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The Company had the following related party transactions:

Innisfil Energy Services Limited ("IESL") - affiliated

company controlled by shareholder

Services billed	\$	10,164	\$	5,457
-----------------	----	--------	----	-------

The Corporation of The Town of Innisfil ("Town") - shareholder

Interest expensed on debentures	\$	125,288	\$
---------------------------------	----	---------	----

216,718

Electrical services billed	2,392,349
----------------------------	-----------

2,298,935

Water/Wastewater billing services billed	191,511
--	---------

232,169

Dividends paid	468,750	625,000
----------------	---------	---------

Municipal taxes	68,734	75,919
-----------------	--------	--------

Other expenses	75,789	88,823
----------------	--------	--------

Building permits and fees	-	754,874
---------------------------	---	---------

Balances outstanding at December 31:

Due to IESL	\$	(21,832)	\$	(3,574)
-------------	----	----------	----	---------

Due to the Town	2,806,717	1,772,702
-----------------	-----------	-----------

\$	2,784,885	\$	1,769,128
----	-----------	----	-----------

Current portion of long term debt due to the Town (Note 11) \$

1,045,000 \$ 960,000

Long term debt due to the Town (Note 11) \$ - \$ 1,045,000

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During the year, the Company provided financial, management and accounting services to IESL in the amount of \$10,164 (2013 - \$5,457). These transactions have been recorded in these financial statements at the carrying amounts, which were equal to their fair value. Fair value represents fees for equivalent services provided to third parties in the normal course of operations as prescribed by regulation. At the end of the year, \$21,832 (2013 - \$3,574) in receivables was due from IESL.

The Company provides electricity and services to the Town. These transactions are in the normal course of operations and are measured at the exchange amount, which is equal to fair value as prescribed by regulation. During the year, the Company billed electricity and services to the Town in the amount of \$2,392,349 (2013 - \$2,298,935), and contributed capital of \$104,274 (2013 - \$72,426). At the end of the year, \$29,210 (2013 - \$270,560) was due for these services. During the year, the Company paid municipal taxes \$68,734 (2013 - \$75,919), amounts relating to capital projects \$1,222,936 and other expenses of \$75,789 (2013 - \$88,823) to the Town.

In 2012, the Company entered into a contract with the Town to provide water and sewer billing services for the Town. The Town was billed \$191,511 (2013 - \$232,169) for these services. At the end of the year \$2,777,046 (2013 - \$1,985,641) was owed to the Town for these collections of water and sewer billing services.

InnPower Corporation

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Notes to the Financial Statements

December 31, 2014

5. Property and equipment 2014 2013

	Accumulated	Net	Net
Cost	Amortization	Book Value	Book Value
Land	\$ 2,188,582	\$ -	\$
2,188,582	\$ 2,188,582		
Building and fixtures	748,392	307,882	
440,510	451,877		
Distribution station	6,979,368	2,404,240	
4,575,128	1,976,241		
Distribution system	60,425,457	27,125,809	
33,299,648	31,479,602		
System supervisory equipment	2,020,970	1,118,907	
902,063	895,508		
Other equipment	2,189,849	1,509,498	
680,351	840,403		
Computer hardware	547,540	360,891	
186,649	177,257		
Construction in progress	12,381,850	-	
12,381,850	3,717,179		
Contributions in aid of construction	(11,205,471)		
(2,305,785)	(8,899,686)	(7,756,011)	
\$ 76,276,537	\$ 30,521,442	\$	
45,755,095	\$ 33,970,638		

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The amortization for property and equipment for the year was \$1,408,061 (2013 - \$1,320,498).

During the year the Company capitalized \$172,517 (2013 - \$35,182) of interest to construction in progress.

6. Intangible assets 2014 2013

	Accumulated	Net	Net
	Cost	Amortization	Book Value Book Value
Land rights	\$ 982,510	\$ 603,173	\$
379,337	\$ 394,463		
Computer software	828,817	561,642	
267,175	202,571		
	\$ 1,811,327	\$ 1,164,815	\$
646,512	\$ 597,034		

The amortization for intangible assets for the year was \$149,106 (2013 - \$111,070).

7. Long term investment

The long term investment is recorded at cost and consists of 16,894 preferred shares of a private company that mainly provides settlement services to the

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Name: INNPOWER CORPORATION

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electric utilities of Ontario.

InnPower Corporation

Notes to the Financial Statements

December 31, 2014

8. Regulatory assets and liabilities

Regulatory assets and liabilities arise as a result of the rate-setting process (Note 2). Innisfil Hydro has recorded the following regulatory assets and liabilities.

	2014	2013
Regulatory assets		
Stranded meters	\$ 33,458	\$ 216,700
Retail settlement variance accounts		1,793,951
	1,295,533	
Regulatory assets/liabilities approved for recovery/repayment		
	107,999	-
Other	115,529	272,559
	\$ 2,050,937	\$ 1,784,792
Regulatory liabilities		
Regulatory assets/liabilities approved for recovery/repayment	\$	
	- \$ 279,485	

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Tax Year Start: 2014-01-01

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Changes in useful lives of property and equipment 385,288

550,413

\$ 385,288 \$ 829,898

Regulatory assets/liabilities approved for recovery/repayment

These regulatory assets/liabilities have been approved for recovery/repayment to customers by the OEB in previous IRM submissions and the 2013 COS application. Most of the balance relates to the approval received for rate changes May 1, 2013 in the COS and will be recovered/repaid over a 1 year period.

Retail settlement variance accounts

Innisfil Hydro has deferred certain retail settlement variance amounts under the provisions of Article 490 of the OEB's Accounting Procedures Handbook. To date amounts up to December 31, 2011 have been approved for recovery. The Company has accumulated a net asset since this time.

Stranded meters

Disposition of stranded meters, in the amount of \$359,195 was approved in the 2013 COS by the OEB commencing May 1, 2013. The rate rider will be in effect over a two year period.

Changes in useful lives of property and equipment

In 2012, the Company changed their useful lives for some of the property and

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equipment categories. The OEB required these differences to be recorded in regulatory accounts with the other side being recorded in other revenue (expenses) (Note 14). Disposition of the regulatory liability in the amount of \$660,495 over a period of 4 years was approved by the OEB commencing May 1, 2013.

Remaining disposition due to be taken into income is as follows:

2015	165,124
2016	165,124
2017	55,041

InnPower Corporation

Notes to the Financial Statements

December 31, 2014

8. Regulatory assets and liabilities (continued)

Other regulatory assets and liabilities

These accounts include certain amounts deferred as required by OEB guidelines, and include costs and partial recovery incurred to date for compliance with international financial reporting standards (IFRS) of \$11,896 (2013 - \$155,825).

9. Bank indebtedness

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The Company has a bank letter of credit outstanding for \$938,146 (2013 - \$938,146), as described in Note 13. The letter of credit bears interest at the prime rate of a Canadian chartered bank less .25% per annum.

The Company has bank indebtedness of \$77,348 (2013 - \$2,225,879), out of \$4,000,000 credit limit. The facility is secured by a general security agreement conveying first fixed and floating charges over the property, assets, rights and interests of the Company and bears interest at the prime rate.

10. Short term debt

The Company has short term indebtedness with Toronto Dominion Bank of \$10,894,753 (2013 - \$3,086,936). The facility is secured by a general security agreement conveying first fixed and floating charges over the property, assets, rights and interests of the Company. The facility also bears interest at the prime rate, with no fixed term of repayment.

11. Long term debt	2014	2013
Debentures payable to the Town	\$ 1,045,000	\$ 2,005,000
Term loan, due October 2020	1,810,535	1,887,048
Term loan, due February 2022	3,698,493	3,805,466
Term loan, due September 2022	3,774,855	3,877,255

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Term Loan, due November 2023	2,929,602	2,994,564
Term loan, due July 2024	1,985,371	-
Term Loan, due November 2024	1,996,985	-
Term loan, due December 2024	2,000,000	-
Infrastructure Ontario Loan	2,000,000	2,166,666
	21,240,841	16,735,999
Less: current portion	1,685,539	1,477,514
\$	19,555,302	\$ 15,258,486

InnPower Corporation

Notes to the Financial Statements

December 31, 2014

11. Long term debt (continued)

The debentures are payable to the Town and bear interest at various rates ranging from 9.5% to 9.75%. Payments are due annually on March 31 until 2015 and vary in amount each year.

The term loan, due October 2020, has a fixed interest rate of 4.53% with monthly blended payments of \$13,368.

The term loan, due February 2022, has a fixed interest rate of 4.05% with monthly blended payments of \$21,693.

The term loan, due September 2022, has a fixed interest rate of 3.81% with monthly blended payments of \$20,695.

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The term loan, due November 2023, has a fixed interest rate of 4.59% with blended monthly payments of \$16,754.

The term loan, due July 2024, has a fixed interest rate of 3.96% with monthly blended payments of \$9,503.

The term loan, due November 2024, has a fixed interest rate of 3.914% with blended monthly payments of \$9,449.

The term loan, due December 2024, has a fixed interest rate of 3.68% with monthly blended payments of \$9,184.

All term loans above are secured by a general security agreement conveying first fixed and floating charges over the property, assets, rights and interests of the Company.

The Infrastructure Ontario Debenture was converted from a construction loan to pay for the Smart Meter Initiative. The long term debt bears interest at 3.91% with semi-annual principal repayments of \$83,333 in February and August until 2026. Innisfil Hydro incurred \$83,119 in interest expense to

Infrastructure Ontario in 2014.

Principal payments due in each of the next five years are as follows:

2015	1,685,539
2016	661,144
2017	684,217

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2018 705,099

2019 727,660

InnPower Corporation

Notes to the Financial Statements

December 31, 2014

12. Capital stock 2014 2013

Authorized:

The Company is authorized to issue an unlimited number of
common shares and an unlimited number of preference shares.

Issued:

1,000 common shares \$ 10,852,444 \$ 10,852,444

13. Letter of credit

Security

Purchasers of electricity in Ontario, through the Independent Electricity
Systems Operator (IESO) are required to provide security to mitigate the risk
of their default based on their expected activity in the market. The IESO
could draw on these guarantees if the Company fails to make a payment required

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by default notice issued by the IESO. The maximum potential payment is the face value of the bank letters of credit. As at December 31, 2014, the Company provided prudential support using bank letters of credit of \$938,146 (2013 - \$938,146). The letter of credit bears interest at a rate of 0.75% per annum.

14. Other revenue (expenses)	2014	2013
Late payment charges	\$ 84,703	\$ 73,904
Interest	39,974	26,559
Pole rentals	169,619	153,288
Loss on disposal	4,450	(61,041)
Miscellaneous service revenues	127,272	113,245
Miscellaneous non-operating (expenses) income		106,747
		68,603
Regulatory liability from changes in useful life's of property and equipment (Note 8)		165,124
		110,082
	\$ 697,889	\$ 484,640

InnPower Corporation

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15. Employee future benefits

Pension plan

The Company makes contributions to Ontario Municipal Employees Retirement System ("OMERS"), a multi-employer plan, on behalf of its staff. The plan is a contributory defined benefit plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

Contributions were made at rates ranging from 9.0% to 14.6% of employee contributory earnings, depending upon the level of earnings. As a result, the Company made contributions in 2014 totalling \$328,448 for the current service (2013 - \$303,864).

Early retirement employee benefits

Effective January 1, 2009, the Company has agreed to pay 50% of the premiums for early retirees from the age of 55 to 65 who have a minimum of 15 years of service with Innisfil Hydro for specific benefit packages outlined in the conditions of employment and the collective bargaining agreement. An accrual in payables and accruals has been setup for \$75,073 (2013 - \$46,698).

16. Payments in lieu of taxes

The Company is required to compute and remit to the OEFC payments in lieu of income taxes (PILS). PILS are computed in accordance with rules for computing

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income, capital and other taxes provided for in the Income Tax Act (Canada) and the Corporation Tax Act (Ontario) as modified by The Electricity Act, 1998 and related regulations.

Future taxes

Future income taxes are provided for temporary differences. The significant components of the Company's deductible (taxable) timing differences at year end are as follows:

2014	2013
------	------

Long term future income tax asset:

Early retirement employee benefits	\$	20,000	\$	13,000
Property, equipment and intangible assets		713,500		
		1,000,000		
\$	733,500	\$	1,013,000	

Current future income tax liability:

Regulatory assets	\$	433,000	\$	193,500
-------------------	----	---------	----	---------

Provision for PILS:

Current (recovery)	\$	(26,458)	\$	(50,248)
Future		519,000		826,500
\$	492,542	\$	776,252	

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InnPower Corporation

Notes to the Financial Statements

December 31, 2014

17. Supplemental cash flow information 2014
2013

Change in non-cash operating working capital

Receivables	\$ (934,137)	\$ (30,348)
Prepays	(9,956)	2,021
Unbilled	38,539	(640,060)
Inventory	22,719	(62,413)
Payment in lieu of taxes	182,919	57,023
Due to related party	1,015,757	645,634
Payables and accruals	1,200,499	1,234,391
Customer credit balances and deposits		363,365
	295,099	
	\$ 1,879,705	\$ 1,501,347

Supplemental cash flow information

Interest received \$ 39,974 \$ 26,559

Interest paid \$ 869,568 \$ 805,526

(Refunds) payments in lieu of taxes \$ (209,394) \$
106,502

Name: INNPOWER CORPORATION**BN: 89242 2817 RC 0001****Tax Year Start: 2014-01-01****Tax Year End: 2014-12-31****18. Public liability insurance**

The Company is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE), which was created on January 1, 1987. A reciprocal insurance exchange may be defined as a group of persons formed for the purpose of exchanging reciprocal contracts of indemnity or inter-insurance with each other through the same attorney. MEARIE has provided comprehensive liability insurance to the Company of \$24,000,000 per occurrence.

19. Financial instruments**Risks arising from financial instruments****Credit risk**

The Company's cash is all held at The Toronto-Dominion Bank (TD Bank). The Company's credit risk associated with accounts receivable is related to payments from LDC customers. The Company collects security deposits from customers in accordance with directions provided by the Ontario Energy Board. The carrying amount of receivables is reduced through the use of an allowance for doubtful accounts and the amount of the related impairment loss is recognized in the statement of operations. Subsequent recoveries of receivables previously provisioned are credited to the statement of operations.

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InnPower Corporation

Notes to the Financial Statements

December 31, 2014

19. Financial instruments (Continued)

Interest rate risk

The long-term debt bears fixed interest rates. Consequently, the long-term interest rate risk exposure is minimal. The bank indebtedness for any outstanding, bear interest at floating rates which gives rise to a risk that the Company's future income (loss) and cash flows may be adversely impacted by fluctuations in interest rates.

Liquidity risk

The Company manages its liquidity risk to ensure access to sufficient funds to meet operational needs. Liquidity risks are comprised of liabilities totaling \$23,843,030 (2013 - \$13,558,410) which are due within one year and long-term debt as described in Note 11.

The Company carries various forms of financial instruments. Unless otherwise noted, it is management's opinion that the Company is not exposed to significant currency risk arising from these financial instruments.

20. Capital disclosures

The Company's objectives when managing capital are:

- o to safeguard the entity's ability to continue as a going concern, so

Name: INNPOWER CORPORATION**BN: 89242 2817 RC 0001****Tax Year Start: 2014-01-01****Tax Year End: 2014-12-31**

that it can continue to provide returns for shareholders and benefits for other stakeholders, and

o to provide an adequate return to shareholders commensurately with the level of risk.

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or return capital to shareholders, issue new shares, or sell assets to reduce debt. The Company is subject to quarterly reporting and bank review of its minimum interest coverage ratio of 1 to 1, and maximum debt to capitalization ratio of .65 to 1, in relation to the bank indebtedness. The Company is subject to annual review from Infrastructure Ontario of its minimum debt service coverage ratio of 1 to 1, a maximum debt to capital ratio of 0.75 to 1, and a minimum current ratio of 1.1 to 1, in relation to the Infrastructure Ontario debenture.

Consistent with others in the industry, the Company monitors capital on the basis of the debt-to-equity ratio. This ratio is calculated as short and long term debt divided by equity. Short term debt is calculated as current notes and loans payable, as shown on the balance sheet. Long term debt is calculated as total long term debt, as shown on the balance sheet. Equity

comprises all components of equity, share capital, development charges transferred to equity, and retained earnings.

InnPower Corporation

Notes to the Financial Statements

December 31, 2014

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BN: 89242 2817 RC 0001

Tax Year Start: 2014-01-01

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21. Amortization of property, equipment and intangible assets

The amortization of property, equipment and intangible assets amounted to \$1,557,167 (2013 - \$1,431,568). The statement of earnings reflects \$1,417,235 (2013 - \$1,287,210) because the transportation and communication equipment amortization has been allocated to operations where the equipment was used. Amortization of \$50,479 (2013 - \$28,943) was mainly recorded as distribution expenses and \$89,453 (2013 - \$115,415) was recorded as capital expenditures and capitalized in property and equipment.

SCHEDULE 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF1

Form identifier 100

Name of corporation	Business Number	Tax year-end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

Assets – lines 1000 to 2599

1000	1,521,585	1060	8,170,992	1066	26,806
1120	439,097	1484	337,601	1599	10,496,081
1600	2,188,582	1601	982,510	1602	-603,173
1680	748,392	1681	-307,882	1740	67,976,764
1741	-27,445,536	1774	4,001,767	1775	-1,820,168
1785	2,189,849	1786	-1,509,498	2008	78,087,864
2009	-31,686,257	2244	21,721	2420	2,050,937
2421	733,500	2589	2,806,158	2599	59,703,846

Liabilities – lines 2600 to 3499

2620	6,484,002	2680	433,000	2700	10,894,753
2860	2,784,885	2920	1,685,539	2961	1,561,351
3139	23,843,530	3140	19,555,303	3320	548,129
3450	20,103,432	3499	43,946,962		

Shareholder equity – lines 3500 to 3640

3500	10,852,444	3540	555,620	3600	4,348,820
3620	15,756,884	3640	59,703,846		

Retained earnings – lines 3660 to 3849

3660	4,429,273	3680	388,297	3700	-468,750
3849	4,348,820				

SCHEDULE 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIF

Form identifier 125

Name of corporation	Business Number	Tax year-end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

Description

Sequence number **0003** 01

Revenue – lines 8000 to 8299

8000	35,501,470	8089	35,501,470	8094	697,889
8299	36,199,359				

Cost of sales – lines 8300 to 8519

8320	27,773,907	8518	27,773,907	8519	7,727,563
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Operating expenses – lines 8520 to 9369

8670	1,417,235	8714	858,048	8810	2,285,340
9270	1,814,455	9273	1,169,535	9367	7,544,613
9368	35,318,520	9369	880,839		

Extraordinary items and taxes – lines 9970 to 9999

9970	880,839	9990	-26,458	9995	519,000
9999	388,297				



Canada Revenue Agency
Agence du revenu
du Canada

Net Income (Loss) for Income Tax Purposes

SCHEDULE 1

Corporation's name	Business Number	Tax year end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

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

Amount calculated on line 9999 from Schedule 125 388,297 A

Add:

Provision for income taxes – current	101	-26,458	
Provision for income taxes – deferred	102	519,000	
Amortization of tangible assets	104	1,417,235	
Scientific research expenditures deducted per financial statements	118	73,063	
Non-deductible meals and entertainment expenses	121	7,306	
Reserves from financial statements – balance at the end of the year	126	75,073	
Subtotal of additions		2,065,219	2,065,219

Other additions:

Miscellaneous other additions:

600 INVENTORY ADJUSTMENT	290	30,563	
601 Amortization Expensed	291	50,479	
603 Par. 12 (1)(x) contributions capitalized on F/S		1,412,597	
Inducement - ITA 12(1)(x)		3,165	
Total	293	1,415,762	
604 CO-OP EDUCATION TAX CREDITS CLAIMED		5,367	
APPRENTICE CREDITS		6,959	
Total	294	12,326	
Subtotal of other additions	199	1,509,130	1,509,130
Total additions	500	3,574,349	3,574,349 B
Amount A plus amount B			3,962,646

Deduct:

Gain on disposal of assets per financial statements	401	4,450	
Capital cost allowance from Schedule 8	403	2,631,505	
Cumulative eligible capital deduction from Schedule 10	405	19,009	
SR&ED expenditures claimed in the year from Form T661 (line 460)	411	44,360	
Reserves from financial statements – balance at the beginning of the year	414	682,327	
Subtotal of deductions		3,381,651	3,381,651

Other deductions:**Miscellaneous other deductions:**

700	Ss. 13(7.4) election re Contributions in aid of construction	390	1,412,597	
701	CDN GAAP deferred credits	391	165,124	
702	Regulatory Reserve taken out of income	392	1,632,190	
704				
	Total	394		
	Subtotal of other deductions	499	3,209,911	3,209,911
	Total deductions	510	6,591,562	6,591,562
	Net income (loss) for income tax purposes – enter on line 300 of the T2 return			-2,628,916

Inducement

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

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

Tax credits whose amount should be added to income

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

Federal

A

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

Ontario

A

- ☒ Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations 1,165
- ☐ Ontario co-operative education tax credit 9,919
- ☐ Ontario apprenticeship training tax credit 10,000
- ☐ Ontario computer animation and special effects tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☐ Ontario film and television tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☐ Ontario production services tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☐ Ontario interactive digital media tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☐ Ontario sound recording tax credit*
- * Please verify if the credit amount relates to depreciable property.
For more information, press F1 to consult the Help.
- ☐ Ontario book publishing tax credit
- ☒ Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations
- ☐ Ontario business-research institute tax credit
- ☐ Ontario community food program donation tax credit for farmers

Tax credits whose amount should reduce the capital cost of property

Canada Revenue
Agency Agence du revenu
du CanadaDIVIDENDS RECEIVED, TAXABLE DIVIDENDS PAID, AND
PART IV TAX CALCULATION

SCHEDULE 3

Name of corporation	Business Number	Tax year-end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

- This schedule is for the use of any corporation to report:
 - non-taxable dividends under section 83;
 - deductible dividends under subsection 138(6);
 - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (b) or (d); or
 - taxable dividends paid in the tax year that qualify for a dividend refund.
- The calculations in this schedule apply only to private or subject corporations.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.
- A recipient corporation is connected with a payer corporation at any time in a tax year, if at that time the recipient corporation:
 - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
 - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.
- Column A – Enter "X" if dividends received from a foreign source (connected corporation only).
- Column F1 – Enter the amount of dividends received reported in column 240 that are eligible.
- Column F2 – Enter the code that applies to the deductible taxable dividend.
- Column F3 – Enter if dividends have been received or not after December 20, 2012. This information is required for corporations that must complete Schedules 71 and 72. For more details with regards to this column, consult the Help.

Part 1 – Dividends received in the tax year

Do not include dividends received from foreign non-affiliates.

Complete if payer corporation is connected

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)	E Non-taxable dividend under section 83
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		I Part IV tax before deductions Ex 1 / 3 ***
F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (b), or (d)*	F1 Eligible dividends (included in column F)	F2	F3	G Total taxable dividends paid by connected payer corporation (for tax year in column D)	H Dividend refund of the connected payer corporation (for tax year in column D)**	
240				250	260	270
Total (enter the amount from column F on line 320 of the T2 return and amount J in Part 2)						

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

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

*** For dividends received from connected corporations:

$$\text{Part IV tax} = \frac{\text{Column F} \times \text{Column H}}{\text{Column G}}$$

Part 2 – Calculation of Part IV tax payable

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

Deduct:

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

Subtotal

Deduct:

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

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

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

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

Total losses applied against Part IV tax $\times 1 / 3 =$

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 Town of Innisfil	12194 7188 RC0001	2014-12-31	468,750	

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 468,750

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** 468,750

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) 468,750

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

Total dividends paid in the tax year **500** 468,750

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 468,750

Corporation Loss Continuity and Application

Corporation's name INNPOWER CORPORATION	Business number 89242 2817 RC0001	Tax year-end Year Month Day 2014-12-31
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- Use this form to determine the continuity and use of available losses; to determine a current-year non-capital loss, farm loss, restricted farm loss, or limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that can be applied in a year; and to ask for a loss carryback to previous years.
- A corporation can choose whether or not to deduct an available loss from income in a tax year. The corporation can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the *Income Tax Act*, when control has been acquired, no amount of capital loss incurred for a tax year ending before that time is deductible in computing taxable income in a tax year ending after that time. Also, no amount of capital loss incurred in a tax year ending after that time is deductible in computing taxable income of a tax year ending before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the *T2 Corporation – Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send the schedule by itself to the tax centre where the return is filed.
- All legislative references are to the *Income Tax Act*.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes **-2,628,916** A

Deduct: (increase a loss)

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

Subtotal (amount A **minus** amount B; if positive, enter "0") **-2,628,916** C

Deduct: (increase a loss)

Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions D
Subtotal (amount C **minus** amount D) **-2,628,916** E

Add: (decrease a loss)

Current-year farm loss (whichever is less: the net loss from farming or fishing included in the income, or the non-capital loss before deducting the farm loss) F

Current-year non-capital loss (amount E **plus** amount F; if positive, enter "0") **-2,628,916** G

If amount G is negative, enter it on line 110 as a positive.

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of the previous tax year e

Deduct: Non-capital loss expired* **100** f

Non-capital losses at the beginning of the tax year (amount e **minus** amount f) **102** H

Add:

Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation **105** g

Current-year non-capital loss (from amount G) **110** **2,628,916** h

Subtotal (amount g **plus** amount h) **2,628,916** I

Subtotal (amount H **plus** amount I) **2,628,916** J

* A non-capital loss expires as follows:

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

An allowable business investment loss becomes a net capital loss after **10** tax years if it arose in a tax year ending after March 22, 2004.

Part 1 – Non-capital losses (continued)**Deduct:**

Other adjustments (includes adjustments for an acquisition of control)	150	i
Section 80 – Adjustments for forgiven amounts	140	j
Subsection 111(10) – Adjustments for fuel tax rebate		j.1
Non-capital losses of previous tax years applied in the current tax year	130	k
Enter amount k on line 331 of the T2 Return.		
Current and previous year non-capital losses applied against current-year taxable dividends subject to Part IV tax**	135	l
Subtotal (total of amounts i to l)		K
Non-capital losses before any request for a carryback (amount J minus amount K)		L 2,628,916

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

First previous tax year to reduce taxable income	901	m
Second previous tax year to reduce taxable income	902	n 684,195
Third previous tax year to reduce taxable income	903	o
First previous tax year to reduce taxable dividends subject to Part IV tax	911	p
Second previous tax year to reduce taxable dividends subject to Part IV tax	912	q
Third previous tax year to reduce taxable dividends subject to Part IV tax	913	r
Total of requests to carry back non-capital losses to previous tax years (total of amounts m to r)	684,195	M 684,195
Closing balance of non-capital losses to be carried forward to future tax years (amount L minus amount M)	180	N 1,944,721

** Amount l is the total of lines 330 and 335 from Schedule 3, *Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation*.

Part 2 – Capital losses**Continuity of capital losses and request for a carryback**

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

Deduct:

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

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

Note

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

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

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

Part 2 – Capital losses (continued)

Deduct: Capital losses from previous tax years applied against the current-year net capital gain***	225	G
Capital losses before any request for a carryback (amount F minus amount G)		H
Deduct – Request to carry back capital loss to****:		
	Capital gain (100%)	Amount carried back (100%)
First previous tax year	951	h
Second previous tax year	30,788 952	i
Third previous tax year	953	j
	Subtotal (total of amounts h to j)	l
Closing balance of capital losses to be carried forward to future tax years (amount H minus amount l)	280	J

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

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

Part 3 – Farm losses**Continuity of farm losses and request for a carryback**

Farm losses at the end of the previous tax year		a
Deduct: Farm loss expired*	300	b
Farm losses at the beginning of the tax year (amount a minus amount b)	302	A
Add:		
Farm losses transferred on the amalgamation or the windup of a subsidiary corporation	305	c
Current-year farm loss (amount F in Part 1)	310	d
	Subtotal (amount c plus amount d)	B
	Subtotal (amount A plus amount B)	C
Deduct:		
Other adjustments (includes adjustments for an acquisition of control)	350	e
Section 80 – Adjustments for forgiven amounts	340	f
Farm losses of previous tax years applied in the current tax year	330	g
Enter amount g on line 334 of the T2 Return.		
Current and previous year farm losses applied against current-year taxable dividends subject to Part IV tax**	335	h
	Subtotal (total of amounts e to h)	D
Farm losses before any request for a carryback (amount C minus amount D)		E

Deduct – Request to carry back farm loss to:

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

* A farm loss expires as follows:

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

** Amount h is the total of lines 340 and 345 from Schedule 3.

Part 4 – Restricted farm losses**Current-year restricted farm loss**

Total losses for the year from farming business		485	A
Minus the deductible farm loss:			
(amount A above – \$2,500)	divided by 2 =	a	
Amount a or \$ 15,000 *, whichever is less		b	
		2,500 c	
Subtotal (amount b plus amount c)		2,500	B
Current-year restricted farm loss (amount A minus amount B)			C

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at the end of the previous tax year		d	
Deduct: Restricted farm loss expired**	400	e	
Restricted farm losses at the beginning of the tax year (amount d minus amount e)	402		D
Add:			
Restricted farm losses transferred on the amalgamation or the wind-up of a subsidiary corporation	405	f	
Current-year restricted farm loss (from amount C)	410	g	
Enter amount g on line 233 of Schedule 1, <i>Net Income (Loss) for Income Tax Purposes</i> .			
Subtotal (amount f plus amount g)			E
Subtotal (amount D plus amount E)			F

Deduct:

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

Deduct – Request to carry back restricted farm loss to:

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

Note

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

* For tax years that end before March 21, 2013, use \$6,250 instead of \$15,000.

** A restricted farm loss expires as follows:

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

Part 5 – Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at the end of the previous tax year a

Deduct: Listed personal property loss expired after seven tax years **500** b

Listed personal property losses at the beginning of the tax year (amount a **minus** amount b) ... **502** **▶** A

Add: Current-year listed personal property loss (from Schedule 6) **510** B

Subtotal (amount A **plus** amount B) C

Deduct:

Previous year personal property losses applied in the current tax year against listed
personal property gains **530** c

Enter amount c on line 655 of Schedule 6.

Other adjustments **550** d

Subtotal (amount c **plus** amount d) **▶** D

Listed personal property losses remaining before any request for a carryback (amount C **minus** amount D) E

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

First previous tax year to reduce listed personal property gains **961** e

Second previous tax year to reduce listed personal property gains **962** f

Third previous tax year to reduce listed personal property gains **963** g

Subtotal (total of amounts e to g) **▶** F

Closing balance of listed personal property losses to be carried forward to future tax years (amount E **minus** amount F) **580** G

Part 7 – Limited partnership losses**Current-year limited partnership losses**

1	2	3	4	5	6	7
Partnership identifier	Tax year ending YYYY/MM/DD	Corporation's share of limited partnership loss	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Current-year limited partnership losses (column 3 minus 6)
600	602	604	606	608		620
1 Enerconnect	2014-12-31					
Total (enter this amount on line 222 of Schedule 1)						

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

1	2	3	4	5	6	7
Partnership identifier	Tax year ending YYYY/MM/DD	Limited partnership losses at the end of the previous tax year	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Limited partnership losses that may be applied in the year (the lesser of columns 3 and 6)
630	632	634	636	638		650
1 Enerconnect	2014-12-31					

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

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

Note

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

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

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

190 Yes ☐

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

Note

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

Non-Capital Loss Continuity Workchart

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

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

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce		Balance at end of year
					Taxable income	Part IV tax	
Current	N/A	2,628,916		684,195	N/A		1,944,721
Total		2,628,916		684,195			1,944,721

Canada Revenue Agency
Agence du revenu
du Canada

Tax Calculation Supplementary – Corporations

Schedule 5

Corporation's name INNPOWER CORPORATION	Business Number 89242 2817 RC0001	Tax year-end Year Month Day 2014-12-31
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- Use this schedule if, during the tax year, the corporation:
 - had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B and D in Part 1);
 - is claiming provincial or territorial tax credits or rebates (see Part 2); or
 - has to pay taxes, other than income tax, for Newfoundland and Labrador, or Ontario (see Part 2).
- Regulations mentioned in this schedule are from the *Income Tax Regulations*.
- For more information, see the *T2 Corporation – Income Tax Guide*.
- Enter the regulation number in field 100 of Part 1.

Part 1 – Allocation of taxable income

100 Enter the Regulation that applies (402 to 413).

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

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

** If the corporation has income or loss from an international banking centre: the taxable income is the amount on line 360 or line Z of the T2 return plus the total amount not required to be included, or minus the total amount not allowed to be deducted, in calculating the corporation's income under section 33.1 of the federal *Income Tax Act*. This does not apply to tax years starting after March 20, 2013.

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

Notes:

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

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

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

Ontario basic income tax (from Schedule 500)	270		
Deduct: Ontario small business deduction (from Schedule 500)	402		
	Subtotal		A6
Add:			
Ontario additional tax re Crown royalties (from Schedule 504)	274		
Ontario transitional tax debits (from Schedule 506)	276		
Recapture of Ontario research and development tax credit (from Schedule 508)	277		
	Subtotal		B6
	Subtotal (amount A6 plus amount B6)		C6
Deduct:			
Ontario resource tax credit (from Schedule 504)	404		
Ontario tax credit for manufacturing and processing (from Schedule 502)	406		
Ontario foreign tax credit (from Schedule 21)	408		
Ontario credit union tax reduction (from Schedule 500)	410		
Ontario transitional tax credits (from Schedule 506)	414		
Ontario political contributions tax credit (from Schedule 525)	415		
	Subtotal		D6
	Subtotal (amount C6 minus amount D6) (if negative, enter "0")		E6
Deduct: Ontario research and development tax credit (from Schedule 508)	416		
Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount E6 minus amount on line 416) (if negative, enter "0")			F6
Deduct:			
Ontario corporate minimum tax credit (from Schedule 510)	418		
Ontario community food program donation tax credit for farmers (from Schedule 2)	420		
Ontario corporate income tax payable (amount F6 minus amounts on line 418 and line 420) (if negative, enter "0")			G6
Add:			
Ontario corporate minimum tax (from Schedule 510)	278		
Ontario special additional tax on life insurance corporations (from Schedule 512)	280		
	Subtotal		H6
Total Ontario tax payable before refundable credits (amount G6 plus amount H6)			I6
Deduct:			
Ontario qualifying environmental trust tax credit	450		
Ontario co-operative education tax credit (from Schedule 550)	452	5,367	
Ontario apprenticeship training tax credit (from Schedule 552)	454	6,959	
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	12,326	J6
Net Ontario tax payable or refundable credit (amount I6 minus amount J6) (if a credit, enter a negative amount) Include this amount on line 255.	290	-12,326	K6

Summary

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

Net provincial and territorial tax payable or refundable credits	255	-12,326
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If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.

Capital Cost Allowance (CCA)

Corporation's name INNPOWER CORPORATION	Business Number 89242 2817 RC0001	Tax year end Year Month Day 2014-12-31
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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)	2 Description	3 Undepreciated capital cost at the beginning of the year (amount from column 12 of last year's schedule 8)	4 Cost of acquisitions during the year (new property must be available for use)*	5 Adjustments and transfers**	6 Proceeds of dispositions during the year (amount not to exceed the capital cost)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)**	8 Reduced undepreciated capital cost	9 CCA rate % ***	10 Recapture of capital cost allowance**** (line 107 of Schedule 1)	11 Terminal loss (line 404 of Schedule 1)	12 Capital cost allowance (for declining balance method, column 7 multiplied by column 8, or a lower amount) (line 403 of Schedule 1) *****	13 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.		13,050,282			0		4	0	0	522,011	12,528,271	
2.	Equipment and Tools	901,941	161,161		0	80,581	20	0	0	196,504	866,598	
3.	Rolling Stock and Vehicles	386,571	3,268		0	1,634	30	0	0	116,462	273,377	
4.	Computer Equipment and Software	1,692			0		45	0	0	761	931	
5.	Electrical Energy Distribution Equipment	17,717,715	4,479,123		184,533	2,147,295	8	0	0	1,589,201	20,423,104	
6.	Computer Equipment Acquired After 1981	236,250	278,648		0	139,324	55	0	0	206,566	308,332	
7.	WIP	3,652,960	8,664,671		0	4,332,336	8	0	0		12,317,631	
8.	WIP	64,219			0		20	0	0		64,219	
	Totals	36,011,630	13,586,871		184,533	6,701,170				2,631,505	46,782,463	

Note: Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed.

Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).

- * Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see *Regulation 1100(2)* and (2.2).
- Enter in column 4, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost. Items that **increase** the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that **reduce** the undepreciated capital cost include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the *T2 Corporation Income Tax Guide* for other examples of adjustments and transfers to include in column 4.
- *** The net cost of acquisitions is the cost of acquisitions (column 3) **plus** or **minus** certain adjustments and transfers from column 4. For exceptions to the 50% rule, see Interpretation Bulletin IT-285, *Capital Cost Allowance – General Comments*.
- **** Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 11.
- ***** For every entry in column 9, the "Recapture of capital cost allowance" there must be a corresponding entry in column 5, "Proceeds of dispositions during the year". The recapture and terminal loss rules do not apply to passenger vehicles in Class 10.1.
- ***** If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the *T2 Corporation Income Tax Guide* for more information.

T2 SCH 8 (14)



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		13,586,871	
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):			
Smart meter capitalized already	+		
Total additions per books	=	13,586,871	13,586,871
Proceeds up to original cost – Schedule 8 regular classes		184,533	
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):			
GL Asset Disposals to be removed from WIP Additions	+	73,708	
amortization of land rights	+	-15,126	
Rounding/Trivial Differences from GL	+	71	
Amortization Expensed-From Schedule 1	+	50,479	
Amounts included in adj to be included in additions	+	-3,272	
Total proceeds per books	=	290,393	290,393
Depreciation and amortization per accounts – Schedule 1		-	1,417,235
Loss on disposal of fixed assets per accounts		-	30,182
Gain on disposal of fixed assets per accounts		+	
Net change per tax return	=		11,849,061

Financial statements

Fixed assets (excluding land) per financial statements

Closing net book value		43,833,688
Opening net book value	-	31,984,627
Net change per financial statements	=	11,849,061

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

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

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

	Name 100	Country of resi- dence (other than Canada) 200	Business number (see note 1) 300	Rela- tion- ship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	INNISFIL ENERGY SERVICES LIMIT		86556 4595 RC0001	3					
2.	Town of Innisfil		NR	1					

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

Canada Revenue Agency
Agence du revenu
du Canada

SCHEDULE 10

CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

Name of corporation	Business Number	Tax year-end Year Month Day
INNPPOWER CORPORATION	89242 2817 RC0001	2014-12-31

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

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

Cumulative eligible capital - Balance at the end of the preceding taxation year (if negative, enter "0")	200	271,559	A
Add: Cost of eligible capital property acquired during the taxation year	222		
Other adjustments	226		
Subtotal (line 222 plus line 226)		x 3 / 4 =	B
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002	228	x 1 / 2 =	C
amount B minus amount C (if negative, enter "0")			D
Amount transferred on amalgamation or wind-up of subsidiary	224		E
Subtotal (add amounts A, D, and E)	230	271,559	F
Deduct: Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	242		G
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7)	244		H
Other adjustments	246		I
(add amounts G, H, and I)		x 3 / 4 =	J
Cumulative eligible capital balance (amount F minus amount J)		271,559	K
(if amount K is negative, enter "0" at line M and proceed to Part 2)			
Cumulative eligible capital for a property no longer owned after ceasing to carry on that business	249		
amount K		271,559	
less amount from line 249		271,559	
Current year deduction		x 7.00 % =	19,009 *
(line 249 plus line 250) (enter this amount at line 405 of Schedule 1)		19,009	▶ 19,009 L
Cumulative eligible capital - Closing balance (amount K minus amount L) (if negative, enter "0")	300	252,550	M

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

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

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

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

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

Financial statement reserves (not deductible)						
	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	reversal of settlement variance:	-729,025			903,165	-1,632,190
2	EMPLOYEE FUTURE BENEFITS	46,698		28,375		75,073
3						
	Reserves from Part 2 of Schedule 13					
	Totals	-682,327		28,375	903,165	-1,557,117

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.



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

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

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

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

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

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

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

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

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

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

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

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

Allocating the business limit

Date filed (do not use this area)

025

Year Month Day

Enter the calendar year to which the agreement applies

050

Year
2014

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

075

1 Yes ☐ 2 No ☒

	1 Names of associated corporations	2 Business Number of associated corporations	3 Asso- ciation code	4 Business limit for the year (before the allocation) \$	5 Percentage of the business limit % 350	6 Business limit allocated* \$ 400
1	INNPOWER CORPORATION	89242 2817 RC0001	1	500,000	100.0000	500,000
2	INNISFIL ENERGY SERVICES LIMITED	86556 4595 RC0001	1	500,000		
3	Town of Innisfil	NR	4			
Total					100.0000	500,000 A

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

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

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

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

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

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

T2 SCH 23 (09)

Canada



Investment Tax Credit – Corporations

General information

- Use this schedule:
 - to calculate an investment tax credit (ITC) earned during the tax year;
 - to claim a deduction against Part I tax payable;
 - to claim a refund of credit earned during the current tax year;
 - to claim a carryforward of credit from previous tax years;
 - to transfer a credit following an amalgamation or wind-up of a subsidiary, as described under subsections 87(1) and 88(1) of the federal *Income Tax Act*;
 - to request a credit carryback to one or more previous years; or
 - if you are subject to a recapture of ITC.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- All legislative references are to the federal *Income Tax Act* and *Income Tax Regulations*.
- Investments or expenditures, described in subsection 127(9) of the Act and Part XLVI of the Regulations, that earn an ITC are:
 - qualified property and qualified resource property (Parts 4 to 7 of this schedule);
 - expenditures that are part of the SR&ED qualified expenditure pool (Parts 8 to 17). File Form T661, *Scientific Research and Experimental Development (SR&ED) Expenditures Claim*;
 - pre-production mining expenditures (Parts 18 to 20);
 - apprenticeship job creation expenditures (Parts 21 to 23); and
 - child care spaces expenditures (Parts 24 to 28).
- Include a completed copy of this schedule with the *T2 Corporation Income Tax Return*. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, *T2 Corporation – Income Tax Guide*, Information Circular IC 78-4, *Investment Tax Credit Rates*, and its related Special Release.
- For more information on SR&ED, see Brochure RC4472, *Overview of the Scientific Research and Experimental Development Program (SR&ED) Tax Incentive Program*; Brochure RC4467, *Support for your R&D in Canada*, and T4088, *Guide to Form T661 – Scientific Research and Experimental Development (SR&ED) Expenditures Claim*. Also see the *Eligibility of Work for SR&ED Investment Tax Credits Policy* at www.cra.gc.ca/txcrdt/sred-rsde/clmng/lgbitywrkfrsrdrnvtmnttxcrdts-eng.html.

Detailed information

- For the purpose of this schedule, **investment** means the capital cost of the property (excluding amounts added by an election under section 21 of the Act), determined without reference to subsections 13(7.1) and 13(7.4), minus the amount of any government or non-government assistance that the corporation has received, is entitled to receive, or can reasonably be expected to receive for that property when it files the income tax return for the year in which the property was acquired.
- An ITC deducted or refunded in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces the capital cost of that property in the next tax year. It also reduces the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax year will reduce the balance in the pool of deductible SR&ED expenditures and the adjusted cost base (ACB) of an interest in a partnership in the next tax year. An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration expenses in the next tax year.
- Property acquired has to be **available for use** before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- Expenditures for SR&ED and capital costs for a property qualifying for an ITC must be identified by the claimant on Form T661 and Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- Partnership allocations – Subsection 127(8) provides for the allocation of the amount that may reasonably be considered to be a partner's share of the ITCs of the partnership at the end of the fiscal period of the partnership. An allocation of ITCs is generally considered to be the partner's reasonable share of the ITCs if it is made in the same proportion in which the partners have agreed to share any income or loss and if section 103 is not applicable to the agreement to share any income or loss. Special rules apply to specified and limited partners. For more information, see Guide T4068, *Guide for the Partnership Information Return*.
- For SR&ED expenditures, the expression **in Canada** includes the "exclusive economic zone" (as defined in the *Oceans Act* to generally consist of an area that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil for that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).
- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer **before** March 29, 2012. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and if acquired by the taxpayer **after** March 28, 2012, new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) of the Act for more information.
- For the purpose of this schedule, **qualified resource property** means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer **after** March 28, 2012, and **before** January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of **qualified resource property** in subsection 127(9) of the Act for more information.

- Detailed information (continued) -

- For the purpose of this schedule, **pre-production mining exploration expenditures** are pre-production mining expenditures incurred after March 28, 2012, by the taxpayer to determine the existence, location, extent, or quality of certain mineral resources in Canada, excluding expenses incurred in the exploration of an oil or gas well. See subparagraph (a)(i) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining development expenditures** are pre-production mining expenditures incurred after March 28, 2012, by the taxpayer to bring a new mineral resource mine in Canada into production, excluding expenses in the development of a bituminous sands deposit or an oil shale deposit. See subparagraph (a)(ii) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.

- Part 1 – Investments, expenditures, and percentages -

	Specified percentage
Investments	
Qualified property acquired primarily for use in Atlantic Canada	10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired:	
– after March 28, 2012, and before 2014	10 %
– after 2013 and before 2016	5 %
– after 2015*	0 %
Expenditures	
If you are a Canadian-controlled private corporation (CCPC), this percentage may apply to the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %
Note: If your current year's qualified expenditures are more than the corporation's expenditure limit (see Part 10), the excess is eligible for an ITC calculated at the 20 % rate**.	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for SR&ED in any area in Canada:	
– before 2014**	20 %
– after 2013**	15 %
If you are a taxable Canadian corporation that incurred pre-production mining expenditures before March 29, 2012	10 %
If you are a taxable Canadian corporation that incurred pre-production mining exploration expenditures***:	
– after March 28, 2012, and before 2013	10 %
– in 2013	5 %
– after 2013***	0 %
If you are a taxable Canadian corporation that incurred pre-production mining development expenditures****:	
– after March 28, 2012, and before 2014****	10 %
– in 2014	7 %
– in 2015	4 %
– after 2015****	0 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticeship contract for employment	10 %
If you incurred eligible expenditures after March 18, 2007, for the creation of licensed child care spaces for the children of your employees and, potentially, for other children	25 %

* A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a phase of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of **specified percentage** in subsection 127(9) for more information.

** The reduction of the rate from 20% to 15% applies to 2014 and later tax years, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013.

*** Pre-production mining exploration expenditures are described in subparagraph (a)(i) of the definition of **pre-production mining expenditure** in subsection 127(9).

**** A transitional relief rate of 10% may apply to expenditures incurred after 2013 and before 2016, if the expenditure is incurred under a written agreement entered into before March 29, 2012, or the expenditure is incurred as part of the development of a new mine where the construction or the engineering and design work for the construction of the new mine started before March 29, 2012. See subparagraph (k)(ii) of the definition of **specified percentage** in subsection 127(9) for more information. Pre-production mining development expenditures are described in subparagraph (a)(ii) of the definition of **pre-production mining expenditure** in subsection 127(9).

Corporation's name	Business number	Tax year-end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

Part 2 – Determination of a qualifying corporation

Is the corporation a qualifying corporation? **101** 1 Yes ☐ 2 No ☒

For the purpose of a refundable ITC, a **qualifying corporation** is defined under subsection 127.1(2). The corporation has to be a CCPC and its taxable income (before any loss carrybacks) for its previous tax year cannot be more than its **qualifying income limit** for the particular tax year. If the corporation is associated with any other corporations during the tax year, the total of the taxable incomes of the corporation and the associated corporations (before any loss carrybacks), for their last tax year ending in the previous calendar year, cannot be more than their qualifying income limit for the particular tax year.

Note: A CCPC calculating a refundable ITC is considered to be associated with another corporation if it meets any of the conditions in subsection 256(1), except where:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of both corporations; and
- one of the corporations has at least one shareholder who is not common to both corporations.

If you are a **qualifying corporation**, you will earn a **100%** refund on your share of any ITCs earned at the 35% rate on qualified **current** expenditures for SR&ED, up to the allocated expenditure limit. The 100% refund does not apply to qualified **capital** expenditures eligible for the 35% credit rate. They are only eligible for the **40%** refund*.

Some CCPCs that are **not qualifying** corporations may also earn a **100%** refund on their share of any ITCs earned at the 35% rate on qualified **current** expenditures for SR&ED, up to the allocated expenditure limit. The expenditure limit can be determined in Part 10. The 100% refund does not apply to qualified **capital** expenditures eligible for the 35% credit rate. They are only eligible for the **40%** refund*.

The 100% refund will not be available to a corporation that is an **excluded corporation** as defined under subsection 127.1(2). A corporation is an excluded corporation if, at any time during the year, it is a corporation that is either controlled by (directly or indirectly, in any manner whatever) or is related to:

- one or more persons exempt from Part I tax under section 149;
- Her Majesty in right of a province, a Canadian municipality, or any other public authority; or
- any combination of persons referred to in a) or b) above.

* Capital expenditures incurred after December 31, 2013, including lease payments for property that would have been a capital expenditure if purchased directly, are **not** qualified SR&ED expenditures and are **not** eligible for an ITC on SR&ED expenditures.

Part 3 – Corporations in the farming industry

Complete this area if the corporation is making SR&ED contributions.

Is the corporation claiming a contribution in the current year to an agricultural organization whose goal is to finance SR&ED work (for example, check-off dues)? **102** 1 Yes ☐ 2 No ☒

Contributions to agricultural organizations for SR&ED* **103**

If **yes**, complete Schedule 125, *Income Statement Information*, to identify the type of farming industry the corporation is involved in. For more information on Schedule 125, see Guide RC4088, *General Index of Financial Information (GIFI)*. Enter contributions on line 350 of Part 8.

* Enter only contributions not already included on Form T661. Include all of the contributions made before 2013 and 80% of the contributions made after 2012.

Qualified Property and Qualified Resource Property

Part 4 – Eligible investments for qualified property and qualified resource property from the current tax year

CCA* class number	Description of investment	Date available for use	Location used (province or territory)	Amount of investment
105	110	115	120	125

Total of investments for qualified property and qualified resource property A

* CCA: capital cost allowance

* Include investments acquired after 2013 and before 2017 that are eligible for transitional relief.

	Year	Month	Day			
1st previous tax year				Credit to be applied	901 _____
2nd previous tax year				Credit to be applied	902 _____
3rd previous tax year				Credit to be applied	903 _____
					Total (enter at amount a in Part 5)	_____ H

Current-year ITCs (total of lines 240, 242, and 250 from Part 5)	_____	I
Credit balance before refund (amount G from Part 5)	_____	J
Refund (40 % of amount I or J, whichever is less)	_____	K
Enter amount K or a lesser amount on line 310 in Part 5 (also enter it on line 780 of the T2 return if the corporation does not claim an SR&ED ITC refund).		

SR&ED

Part 8 – Qualified SR&ED expenditures

Current expenditures

Current expenditures (from line 557 on Form T661)	73,005	
Contributions to agricultural organizations for SR&ED		
Deduct:		
Government assistance, non-government assistance, or contract payment		
Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)*	+	
Current expenditures (line 557 on Form T661 plus line 103 from Part 3)*	73,005	350 73,005
Capital expenditures incurred before 2014 (from line 558 on Form T661)**		360
Repayments made in the year (from line 560 on Form T661)		370
Qualified SR&ED expenditures (total of lines 350 to 370)		380 73,005

* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.

** Capital expenditures incurred after December 31, 2013, are not qualified SR&ED expenditures.

Part 9 – Components of the SR&ED expenditure limit calculation

Part 9 only applies if the corporation is a CCPC.

Note: A CCPC that calculates an SR&ED expenditure limit is considered to be associated with another corporation if it meets any of the conditions in subsection 256(1), except where:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the corporation; and
- one of the corporations has at least one shareholder who is not common to both corporations.

Is the corporation associated with another CCPC for the purpose of calculating the SR&ED expenditure limit? **385** 1 Yes ☒ 2 No ☐

Complete lines 390 and 398 if you answered **no** to the question at line 385 above or if the corporation is not associated with any other corporations (the amounts for associated corporations will be determined on Schedule 49).

Enter your taxable income for the previous tax year* (prior to any loss carry-backs applied) **390**

Enter your taxable capital employed in Canada for the previous tax year minus \$10 million. If this amount is nil or negative, enter "0".

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

* If either of the tax years referred to at line 390 is less than 51 weeks, **multiply** the taxable income by the following result: 365 divided by the number of days in these tax years.

Part 10 – SR&ED expenditure limit for a CCPC

For a stand-alone corporation: \$ **8,000,000**

Deduct:

Taxable income for the previous tax year (line 390 from Part 9) or \$500,000, whichever is more $\times 10 =$ **A**

Excess (\$8,000,000 **minus** amount A; if negative, enter "0") **B**

\$ 40,000,000 **minus** line 398 from Part 9 **a**

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

Expenditure limit for the stand-alone corporation (amount B multiplied by amount C) **D***

For an associated corporation:

If associated, the allocation of the SR&ED expenditure limit as provided on Schedule 49 **400** **E***

Where the tax year of the corporation is less than 51 weeks, calculate the amount of the expenditure limit as follows:

Amount D or E \times Number of days in the tax year **365** **=** **F**

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

* Amount D or E cannot be more than \$3,000,000.

Part 11 – Investment tax credits on SR&ED expenditures

Current expenditures (line 350 from Part 8) or the expenditure limit (line 410 from Part 10), whichever is less*	420	x	35 %	=		G
Line 350 minus line 410 (if negative, enter "0")**	430	73,005	x	15 %	=	10,951 H
Line 410 minus line 350 (if negative, enter "0")			b			
Capital expenditures (line 360 from Part 8) or amount b above, whichever is less*	440	x	35 %	=		I
Line 360 minus amount b above (if negative, enter "0")**	450	x	15 %	=		J
Repayments (amount from line 370 in Part 8)						
If a corporation makes a repayment of any government or non-government assistance, or contract payments that reduced the amount of qualified expenditures for ITC purposes, the amount of the repayment is eligible for a credit at the rate that would have applied to the repaid amount. Enter the amount of the repayment on the line that corresponds to the appropriate rate.**						
	460	x	35 %	=	c	
	480	x	15 %	=	d	
	Subtotal (amount c plus amount d)					K
Current-year SR&ED ITC (total of amounts G to K; enter on line 540 in Part 12)						10,951 L

* For corporations that are not CCPCs, enter "0" for amounts G and I.

** For tax years that end after 2013, the general SR&ED rate is reduced from 20% to 15%, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013.

Part 12 – Current-year credit and account balances – ITC from SR&ED expenditures

ITC at the end of the previous tax year						M
Deduct:						
Credit deemed as a remittance of co-op corporations	510					
Credit expired	515					
	Subtotal (line 510 plus line 515)					N
ITC at the beginning of the tax year (amount M minus amount N)			520			
Add:						
Credit transferred on amalgamation or wind-up of subsidiary	530					
Total current-year credit (from amount L in Part 11)	540	10,951				
Credit allocated from a partnership	550					
	Subtotal (total of lines 530 to 550)				10,951	O
Total credit available (line 520 plus amount O)					10,951	P
Deduct:						
Credit deducted from Part I tax (enter at amount E in Part 30)	560					
Credit carried back to the previous year(s) (amount S from Part 13)					e	
Credit transferred to offset Part VII tax liability	580					
	Subtotal (total of line 560, amount e, and line 580)					Q
Credit balance before refund (amount P minus amount Q)					10,951	R
Deduct:						
Refund of credit claimed on SR&ED expenditures (from Part 14 or 15, whichever applies)	610					
ITC closing balance on SR&ED (amount R minus line 610)	620	10,951				

Part 13 – Request for carryback of credit from SR&ED expenditures

Year	Month	Day

1st previous tax year
2nd previous tax year
3rd previous tax year

..... Credit to be applied
..... Credit to be applied
..... Credit to be applied

911
912
913

Total (enter at amount e in Part 12) _____ S

Part 14 – Refund of ITC for qualifying corporations – SR&ED

Complete this part only if you are a qualifying corporation as determined at line 101 in Part 2.

Is the corporation an excluded corporation as defined under subsection 127.1(2)? **650** 1 Yes ☒ 2 No ☐

Current-year ITC (lines 540 plus 550 from Part 12 minus amount K from Part 11) f

Refundable credits (amount f above or amount R from Part 12, whichever is less)* T

Deduct:

Amount T or amount G from Part 11, whichever is less U

Net amount (amount T minus amount U; if negative, enter "0") V

Amount V multiplied by 40 % W

Add:

Amount U X

Refund of ITC (amount W plus amount X – enter this, or a lesser amount, on line 610 in Part 12) Y

Enter the total of lines 310 from Part 5 and 610 from Part 12 on line 780 of the T2 return.

* If you are also an excluded corporation [as defined in subsection 127.1(2)], this amount must be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC for amount Y.

Part 15 – Refund of ITC for CCPCs that are not qualifying or excluded corporations – SR&ED

Complete this box only if you are a CCPC that is not a qualifying or excluded corporation as determined at line 101 in Part 2.

Credit balance before refund (amount R from Part 12) Z

Deduct:

Amount Z or amount G from Part 11, whichever is less AA

Net amount (amount Z minus amount AA; if negative, enter "0") BB

Amount BB or amount I from Part 11, whichever is less CC

Amount CC multiplied by 40 % DD

Add :

Amount AA EE

Refund of ITC (amount DD plus amount EE) FF

Enter FF, or a lesser amount, on line 610 in Part 12 and also on line 780 of the T2 return.

Recapture – SR&ED

Part 16 – Recapture of ITC for corporations and corporate partnerships – SR&ED

You will have a recapture of ITC in a year when **all** of the following conditions are met:

- you acquired a particular property in the current year or in any of the 20 previous tax years, if the credit was earned in a tax year ending after 1997 and did not expire before 2008;
- you claimed the cost of the property as a qualified expenditure for SR&ED on Form T661;
- the cost of the property was included in calculating your ITC or was the subject of an agreement made under subsection 127(13) to transfer qualified expenditures; and
- you disposed of the property or converted it to commercial use after February 23, 1998. This condition is also met if you disposed of or converted to commercial use a property that incorporates the particular property previously referred to.

Note:

The recapture **does not apply** if you disposed of the property to a non-arm's-length purchaser who intended to use it all or substantially all for SR&ED. When the non-arm's-length purchaser later sells or converts the property to commercial use, the recapture rules will apply to the purchaser based on the historical ITC rate of the original user.

You will report a recapture on the T2 return for the year in which you disposed of the property or converted it to commercial use. In the following tax year, add the amount of the ITC recapture to the SR&ED expenditure pool.

If you have more than one disposition for calculations 1 and 2, complete the columns for each disposition for which a recapture applies, using the calculation formats below.

Calculation 1 – If you meet all of the above conditions

Amount of ITC you originally calculated for the property you acquired, or the original user's ITC where you acquired the property from a non-arm's length party, as described in the note above	Amount calculated using ITC rate at the date of acquisition (or the original user's date of acquisition) on either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value of the property (in any other case)	Amount from column 700 or 710, whichever is less
700	710	
Subtotal (enter this amount at amount C in Part 17)		A

Calculation 2 – Only if you transferred all or a part of the qualified expenditure to another person under an agreement described in subsection 127(13); otherwise, enter nil in amount B in Part 16 on page 9.

A Rate that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement	B Proceeds of disposition of the property if you dispose of it to an arm's length person; or, in any other case, enter the fair market value of the property at conversion or disposition	C Amount, if any, already provided for in Calculation 1 (This allows for the situation where only part of the cost of a property is transferred under a subsection 127(13) agreement)
720	730	740

Calculation 2 (continued) – Only if you transferred all or a part of the qualified expenditure to another person under an agreement described in subsection 127(13); otherwise, enter nil in amount B below.

D Amount determined by the formula $(A \times B) - C$	E ITC earned by the transferee for the qualified expenditures that were transferred	F Amount from column D or E, whichever is less
	750	
Subtotal (enter this amount at amount D in Part 17)		B

Calculation 3

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 550 in Part 12. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 760 below.

Corporate partner's share of the excess of SR&ED ITC (amount to be reported at amount E in Part 17) **760** _____

Part 17 – Total recapture of SR&ED investment tax credit

Recaptured ITC for calculation 1 from amount A in Part 16	.....	C
Recaptured ITC for calculation 2 from amount B in Part 16	.....	D
Recaptured ITC for calculation 3 from line 760 in Part 16	.....	E
Total recapture of SR&ED investment tax credit – total of amounts C to E	.....	F
Enter amount F at amount A in Part 29.		

Pre-Production Mining

- Part 18 - Pre-production mining expenditures

Exploration information

A mineral resource that qualifies for the credit means a mineral deposit from which the principal mineral to be extracted is diamond, a base or precious metal deposit, or a mineral deposit from which the principal mineral to be extracted is an industrial mineral that, when refined, results in a base or precious metal.

In column 800, list all minerals for which pre-production mining expenditures have taken place in the tax year.

For each of the minerals reported in column 800, identify each project (in column 805), mineral title (in column 806), and mining division (in column 807) where title is registered. If there is no mineral title, identify only the project and mining division.

List of minerals 800	Project name 805
Mineral title 806	Mining division 807

Pre-production mining expenditures*

Exploration:

Pre-production mining expenditures that the corporation incurred in the tax year for the purpose of determining the existence, location, extent, or quality of a mineral resource in Canada:

Prospecting	810
Geological, geophysical, or geochemical surveys	811
Drilling by rotary, diamond, percussion, or other methods	812
Trenching, digging test pits, and preliminary sampling	813

Development:

Pre-production mining expenditures incurred in the tax year for bringing a new mine in a mineral resource in Canada into production in reasonable commercial quantities and incurred before the new mine comes into production in such quantities:

Clearing, removing overburden, and stripping	820
Sinking a mine shaft, constructing an adit, or other underground entry	821

Other pre-production mining expenditures incurred in the tax year:

Description 825	Amount 826
Add amounts in column 826	

Total pre-production mining expenditures (total of lines 810 to 821 and amount A) 830

Deduct:

Total of all assistance (grants, subsidies, rebates, and forgivable loans) or reimbursements that the corporation has received or is entitled to receive in respect of the amounts referred to at line 830 above 832

Excess (line 830 minus line 832) (if negative, enter "0") B

Add:

Repayments of government and non-government assistance 835

Pre-production mining expenditures (amount B plus line 835) C

* A pre-production mining expenditure is defined under subsection 127(9).

Part 19 – Current-year credit and account balances – ITC from pre-production mining expenditures

ITC at the end of the previous tax year				D
Deduct:				
Credit deemed as a remittance of co-op corporations		841		
Credit expired		845		
Subtotal (line 841 plus line 845)			▶	E
ITC at the beginning of the tax year (amount D minus amount E)			850	
Add:				
Credit transferred on amalgamation or wind-up of subsidiary			860	
Pre-production mining expenditures*				
incurred before January 1, 2013				
(applicable part of amount C from Part 18)	870	x	10 % =	a
Pre-production mining exploration expenditures incurred in 2013				
(applicable part of amount C from Part 18)	872	x	5 % =	b
Pre-production mining development expenditures incurred in 2014				
(applicable part of amount C from Part 18)	874	x	7 % =	c
Pre-production mining development expenditures incurred in 2015				
(applicable part of amount C from Part 18)	876	x	4 % =	d
Current year credit (total of amounts a to d)			880	▶ F
Total credit available (total of lines 850, 860, and amount F)				G
Deduct:				
Credit deducted from Part I tax (enter at amount F in Part 30)			885	
Credit carried back to the previous year(s) (amount I from Part 20)				e
Subtotal (line 885 plus amount e)			▶	H
ITC closing balance from pre-production mining expenditures (amount G minus amount H)			890	

* Also include pre-production mining development expenditures incurred before 2014 and pre-production mining development expenditures incurred after 2013 and before 2016 that are eligible for transitional relief.

Part 20 – Request for carryback of credit from pre-production mining expenditures

	Year	Month	Day		
1st previous tax year				Credit to be applied	921
2nd previous tax year				Credit to be applied	922
3rd previous tax year				Credit to be applied	923
Total (enter at amount e in Part 19)					I

Apprenticeship Job Creation

- Part 21 - Total current-year credit - ITC from apprenticeship job creation expenditures

If you are a related person as defined under subsection 251(2), has it been agreed in writing that you are the only employer who will be claiming the apprenticeship job creation tax credit for this tax year for each apprentice whose contract number (or social insurance number or name) appears below? (If not, you cannot claim the tax credit.)

611

1 Yes ☒

2 No ☐

For each apprentice in their first 24 months of the apprenticeship, enter the apprenticeship contract number registered with Canada, or a province or territory, under an apprenticeship program designed to certify or license individuals in the trade. For the province, the trade must be a Red Seal trade. If there is no contract number, enter the social insurance number (SIN) or the name of the eligible apprentice.

A Contract number (SIN or name of apprentice)	B Name of eligible trade	C Eligible salary and wages*	D Column C x 10 %	E Lesser of column D or \$ 2,000
601	602	603	604	605
1. PC9361	POWERLINE TECHNICIAN	103,658	10,366	2,000
Total current-year credit (enter at line 640 in Part 22)				2,000 A

* Net of any other government or non-government assistance received or to be received.

- Part 22 - Current-year credit and account balances - ITC from apprenticeship job creation expenditures

ITC at the end of the previous tax year **B**

Deduct:

Credit deemed as a remittance of co-op corporations **612**

Credit expired after 20 tax years **615**

Subtotal (line 612 plus line 615) **C**

ITC at the beginning of the tax year (amount B minus amount C) **625**

Add:

Credit transferred on amalgamation or wind-up of subsidiary **630**

ITC from repayment of assistance **635**

Total current-year credit (amount A from Part 21) **640** 2,000

Credit allocated from a partnership **655**

Subtotal (total of lines 630 to 655) **2,000 D**

Total credit available (line 625 plus amount D) **2,000 E**

Deduct:

Credit deducted from Part I tax (enter at amount G in Part 30) **660**

Credit carried back to the previous year(s) (amount G from Part 23) a

Subtotal (line 660 plus amount a) **F**

ITC closing balance from apprenticeship job creation expenditures (amount E minus amount F) **690** 2,000

- Part 23 - Request for carryback of credit from apprenticeship job creation expenditures

1st previous tax year

2nd previous tax year

3rd previous tax year

Year	Month	Day

Credit to be applied **931**

Credit to be applied **932**

Credit to be applied **933**

Total (enter at amount a in Part 22) **G**

- Part 24 – Eligible child care spaces expenditures

Enter the eligible expenditures that the corporation incurred to create licensed child care spaces for the children of the employees and, potentially, for other children. The corporation cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property); and
- the specified child care start-up expenditures;

acquired or incurred only to create new child care spaces at a licensed child care facility.

- Cost of depreciable property from the current tax year

Cost of depreciable property from the current tax year			
CCA* class number	Description of investment	Date available for use	Amount of investment
665	675	685	695
1.			
Total cost of depreciable property from the current tax year			715

Add:

Specified child care start-up expenditures from the current tax year 705

Total gross eligible expenditures for child care spaces (line 715 **plus** line 705) A

Deduct:

Total of all assistance (including grants, subsidies, rebates, and forgivable loans) or reimbursements that the corporation has received or is entitled to receive in respect of the amounts referred to at line A **725**

Excess (amount A minus line 725) (if negative, enter "0")

Add:

Repayments by the corporation of government and non-government assistance 735

Total eligible expenditures for child care spaces (amount B plus line 735)	745
---	------------

* CCA: capital cost allowance

- Part 25 – Current-year credit – ITC from child care spaces expenditures

The credit is equal to 25% of eligible child care spaces expenditures incurred to a maximum of \$10,000 per child care space created in a licensed child care facility.

Eligible expenditures (from line 745) x 25 % = C

Number of child care spaces **755** x \$ 10,000 = _____ D

ITC from child care spaces expenditures (amount C or D, whichever is less) E

Part 26 – Current-year credit and account balances – ITC from child care spaces expenditures

ITC at the end of the previous tax year		F
Deduct:		
Credit deemed as a remittance of co-op corporations	765	
Credit expired after 20 tax years	770	
Subtotal (line 765 plus line 770)		G
ITC at the beginning of the tax year (amount F minus amount G)	775	
Add:		
Credit transferred on amalgamation or wind-up of subsidiary	777	
Total current-year credit (amount E from Part 25)	780	
Credit allocated from a partnership	782	
Subtotal (total of lines 777 to 782)		H
Total credit available (line 775 plus amount H)		I
Deduct:		
Credit deducted from Part I tax (enter at amount H in Part 30)	785	
Credit carried back to the previous year(s) (amount K from Part 27)	a	
Subtotal (line 785 plus amount a)		J
ITC closing balance from child care spaces expenditures (amount I minus amount J)	790	

Part 27 – Request for carryback of credit from child care space expenditures

	<table><tr><th>Year</th><th>Month</th><th>Day</th></tr><tr><td>1st previous tax year</td><td>2013-12-31</td><td></td></tr><tr><td>2nd previous tax year</td><td>2012-12-31</td><td></td></tr><tr><td>3rd previous tax year</td><td>2011-12-31</td><td></td></tr></table>	Year	Month	Day	1st previous tax year	2013-12-31		2nd previous tax year	2012-12-31		3rd previous tax year	2011-12-31			
Year	Month	Day													
1st previous tax year	2013-12-31														
2nd previous tax year	2012-12-31														
3rd previous tax year	2011-12-31														
		Credit to be applied	941												
		Credit to be applied	942												
		Credit to be applied	943												
Total (enter at amount a in Part 26)			K												

Recapture – Child Care Spaces

Part 28 – Recapture of ITC for corporations and corporate partnerships – Child care spaces

The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property:

- the new child care space is no longer available; or
- property that was an eligible expenditure for the child care space is:
 - disposed of or leased to a lessee; or
 - converted to another use.

If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a))

792

In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:

The amount that can reasonably be considered to have been included in the original ITC

795

25% of either the proceeds of disposition (if sold in an arm's length transaction)
or the fair market value (in any other case) of the property

797

Amount from line 795 or line 797, whichever is less

A

Corporate partnerships

As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 26. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 799 below.

Corporate partner's share of the excess of ITC **799**

Total recapture of child care spaces investment tax credit (total of line 792, amount A, and line 799)

B

Enter amount B at amount B in Part 29.

Summary of Investment Tax Credits

Part 29 – Total recapture of investment tax credit

Recaptured SR&ED ITC (from amount F in Part 17)

A

Recaptured child care spaces ITC (from amount B in Part 28)

B

Total recapture of investment tax credit (amount A plus amount B)

C

Enter amount C on line 602 of the T2 return.

Part 30 – Total ITC deducted from Part I tax

ITC from investments in qualified property deducted from Part I tax (from line 260 in Part 5)

D

ITC from SR&ED expenditures deducted from Part I tax (from line 560 in Part 12)

E

ITC from pre-production mining expenditures deducted from Part I tax (from line 885 in Part 19)

F

ITC from apprenticeship job creation expenditures deducted from Part I tax (from line 660 in Part 22)

G

ITC from child care space expenditures deducted from Part I tax (from line 785 in Part 26)

H

Total ITC deducted from Part I tax (total of amounts D to H)

I

Enter amount I at line 652 of the T2 return.

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Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

Reserves that have not been deducted in computing income for the year under Part I	101		
Capital stock (or members' contributions if incorporated without share capital)	103	10,852,444	
Retained earnings	104	4,348,820	
Contributed surplus	105		
Any other surpluses	106	555,620	
Deferred unrealized foreign exchange gains	107		
All loans and advances to the corporation	108	25,749,888	
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109	10,894,753	
Any dividends declared but not paid by the corporation before the end of the year	110		
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111		
The total of all amounts, each of which is an amount under paragraph 181.2(3)(g) for a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112		
Subtotal (add lines 101 to 112)		52,401,525	52,401,525 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121	734,000	
Any deficit deducted in computing its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122		
Any amount deducted under subsection 135(1) in computing income under Part I for the year, as long as the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123		
Deferred unrealized foreign exchange losses at the end of the year	124		
Subtotal (add lines 121 to 124)		734,000	734,000 B

Capital for the year (amount A minus amount B) (if negative, enter "0") 190 51,667,525

Note: Line 112 is determined as follows:

- An amount for a partnership is the proportion of the amount, if any, by which the total of those amounts—for the partnership's last fiscal period that ends at or before the tax year-end of the corporation—that would be determined for lines 101, 107, 108, 109, and 111 as if they apply to the partnership in the same way that they apply to corporations, exceed the partnership's deferred unrealized foreign exchange losses at the end of the fiscal period.
- In determining an amount for a partnership, do not include amounts owing by the partnership
 - to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership.
 - to any partnership in which a corporation described above held a membership interest either directly or indirectly through another partnership.
- The proportion of an amount for a partnership is determined by the amount that the corporation's share of the partnership's income or loss for the fiscal period—to which the corporation is entitled either directly or indirectly through another partnership—is of the partnership's income or loss for the period.

Part 2 – Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	21,721
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1).	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	21,721

Notes:

- Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
- Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
- Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation, refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)	51,667,525	C
Deduct: Investment allowance for the year (line 490)	21,721	D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	500	51,645,804

Part 4 – Taxable capital employed in Canada**To be completed by a corporation that was resident in Canada at any time in the year**

Taxable capital for the year (line 500)	51,645,804	x	Taxable income earned in Canada	610	1,000	=	Taxable capital employed in Canada	690	51,645,804
			Taxable income		1,000				

- Notes:**
- Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
 - Where a corporation's taxable income for a tax year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
 - In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in CanadaTotal of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada **701****Deduct the following amounts:**Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada **711**Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada **712**Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal or movable property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below) **713**Total deductions (add lines 711, 712, and 713) **E****Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0")** **790****Note:** Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (line 690 or 790, whichever applies)	.....	F
Deduct:	..... 10,000,000	G
	Excess (amount F minus amount G) (if negative, enter "0")	H
Calculation for purposes of the small business deduction (amount H x 0.225%)	I
Enter this amount at line 415 of the T2 return.		



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SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

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

		Provide only one number per shareholder				
Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)		Business Number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
100		200	300	350	400	500
1	Town of Innisfil	12194 7188 RC0001			100.000	
2						
3						
4						
5						
6						
7						
8						
9						
10						

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SCHEDULE 53

GENERAL RATE INCOME POOL (GRIP) CALCULATION

Name of corporation	Business Number	Tax year-end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

On: 2014-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- When an eligible dividend was paid in the tax year, file a completed copy of this schedule with your *T2 Corporation Income Tax Return*. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsections referred to in this schedule are from the *Income Tax Act*.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool, and low rate income pool.

Eligibility for the various additions

Answer the following questions to determine the corporation's eligibility for the various additions:

2006 addition

1. Is this the corporation's first taxation year that includes January 1, 2006? ☐ Yes ☒ No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006?
Enter the date and go directly to question 4 2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA? ☐ Yes ☐ No
- If the answer to question 3 is yes, complete Part "GRIP addition for 2006".

Change in the type of corporation

4. Was the corporation a CCPC during its preceding taxation year? ☒ Yes ☐ No
5. Corporations that become a CCPC or a DIC ☐ Yes ☒ No
- If the answer to question 5 is yes, complete Part 4.

Amalgamation (first year of filing after amalgamation)

6. Corporations that were formed as a result of an amalgamation ☐ Yes ☒ No
- If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC? ☐ Yes ☐ No
- If the answer to question 7 is yes, complete Part 4.
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation? ☐ Yes ☐ No
- If the answer to question 8 is yes, complete Part 3.

Winding-up

9. Has the corporation wound-up a subsidiary in the preceding taxation year? ☐ Yes ☒ No
- If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year? ☐ Yes ☐ No
- If the answer to question 10 is yes, complete Part 4.
11. Was the subsidiary a CCPC or a DIC during its last taxation year? ☐ Yes ☐ No
- If the answer to question 11 is yes, complete Part 3.

Part 1 – Calculation of general rate income pool (GRIP)

GRIP at the end of the previous tax year	100	6,096,946	A
Taxable income for the year (DICs enter "0") *	110		B
Income for the credit union deduction * (amount E in Part 3 of Schedule 17)	120		
Amount on line 400, 405, 410, or 425 of the T2 return, whichever is less *	130		
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income *	140		
Subtotal (add lines 120, 130, and 140)			C
Income taxable at the general corporate rate (line B minus line C) (if negative enter "0")	150		
After-tax income (line 150 x general rate factor for the tax year ** 0.72)	190		D
Eligible dividends received in the tax year	200		
Dividends deductible under section 113 received in the tax year	210		
Subtotal (add lines 200 and 210)			E
GRIP addition:			
Becoming a CCPC (line PP from Part 4)	220		
Post-amalgamation (total of lines EE from Part 3 and lines PP from Part 4)	230		
Post-wind-up (total of lines EE from Part 3 and lines PP from Part 4)	240		
Subtotal (add lines 220, 230, and 240)	290		F
Subtotal (add lines A, D, E, and F)		6,096,946	G
Eligible dividends paid in the previous tax year	300		
Excessive eligible dividend designations made in the previous tax year	310		
Note: If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.			
Subtotal (line 300 minus line 310)			H
GRIP before adjustment for specified future tax consequences (line G minus line H) (amount can be negative)	490	6,096,946	
Total GRIP adjustment for specified future tax consequences to previous tax years (amount W from Part 2)	560	481,537	
GRIP at the end of the tax year (line 490 minus line 560)	590	5,615,409	

Enter this amount on line 160 of Schedule 55.

* For lines 110, 120, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.

** The general rate factor for a tax year is 0.68 for any portion of the tax year that falls before 2010, 0.69 for any portion of the tax year that falls in 2010, 0.70 for any portion of the tax year that falls in 2011, and 0.72 for any portion of the tax year that falls after 2011. Calculate the general rate factor in Part 5 for tax years that straddle these dates.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years

Complete this part if the corporation's taxable income of any of the previous three tax years took into account the specified future tax consequences defined in subsection 248(1) from the current tax year. Otherwise, enter "0" on line 560.

First previous tax year 2013-12-31

Taxable income before specified future tax consequences from the current tax year	J1
Enter the following amounts before specified future tax consequences from the current tax year:	
Income for the credit union deduction (amount E in Part 3 of Schedule 17)	K1
Amount on line 400, 405, 410, or 425 of the T2 return, whichever is less	L1
Aggregate investment income (line 440 of the T2 return)	M1
Subtotal (add lines K1, L1, and M1)	N1
Subtotal (line J1 minus line N1) (if negative, enter "0")	O1

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Future tax consequences that occur for the current year					
Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks

Taxable income after specified future tax consequences P1

Enter the following amounts after specified future tax consequences:

Income for the credit union deduction

(amount E in Part 3 of Schedule 17) ... Q1

Amount on line 400, 405, 410, or 425

of the T2 return, whichever is less ... R1

Aggregate investment income

(line 440 of the T2 return) S1

Subtotal (add lines Q1, R1, and S1) T1

Subtotal (line P1 minus line T1) (if negative, enter "0") U1

Subtotal (line O1 minus line U1) (if negative, enter "0") V1

GRIP adjustment for specified future tax consequences to the first previous tax year(line V1 multiplied by the general rate factor for the tax year 0.72) **500****Second previous tax year 2012-12-31**

Taxable income before specified future tax consequences from

the current tax year 684,195 J2

Enter the following amounts before specified future tax

consequences from the current tax year:

Income for the credit union deduction

(amount E in Part 3 of Schedule 17) ... K2

Amount on line 400, 405, 410, or 425

of the T2 return, whichever is less ... L2

Aggregate investment income

(line 440 of the T2 return) 15,394 M2

Subtotal (add lines K2, L2, and M2) 15,394 N2

Subtotal (line J2 minus line N2) (if negative, enter "0") 668,801 O2

Future tax consequences that occur for the current year					
Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks
684,195					684,195

Taxable income after specified future tax consequences P2

Enter the following amounts after specified future tax consequences:

Income for the credit union deduction

(amount E in Part 3 of Schedule 17) ... Q2

Amount on line 400, 405, 410, or 425

of the T2 return, whichever is less ... R2

Aggregate investment income

(line 440 of the T2 return) S2

Subtotal (add lines Q2, R2, and S2) T2

Subtotal (line P2 minus line T2) (if negative, enter "0") U2

Subtotal (line O2 minus line U2) (if negative, enter "0") 668,801 V2

GRIP adjustment for specified future tax consequences to the second previous tax year(line V2 multiplied by the general rate factor for the tax year 0.72) **520** 481,537

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Third previous tax year 2011-12-31

Taxable income before specified future tax consequences from the current tax year 1,701,816 J3

Enter the following amounts before specified future tax consequences from the current tax year:

Income for the credit union deduction (amount E in Part 3 of Schedule 17) K3

Amount on line 400, 405, 410, or 425 of the T2 return, whichever is less L3

Aggregate investment income (line 440 of the T2 return) M3

Subtotal (add lines K3, L3, and M3) N3

Subtotal (line J3 minus line N3) (if negative, enter "0") 1,701,816 1,701,816 O3

Future tax consequences that occur for the current year

Amount carried back from the current year to a prior year

Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks

Taxable income after specified future tax consequences P3

Enter the following amounts after specified future tax consequences:

Income for the credit union deduction (amount E in Part 3 of Schedule 17) Q3

Amount on line 400, 405, 410, or 425 of the T2 return, whichever is less R3

Aggregate investment income (line 440 of the T2 return) S3

Subtotal (add lines Q3, R3, and S3) T3

Subtotal (line P3 minus line T3) (if negative, enter "0") U3

Subtotal (line O3 minus line U3) (if negative, enter "0") V3

GRIP adjustment for specified future tax consequences to the third previous tax year

(line V3 multiplied by the general rate factor for the tax year 0.72) 540

Total GRIP adjustment for specified future tax consequences to previous tax years: (add lines 500, 520, and 540) (if negative, enter "0") 481,537 W

Enter amount W on line 560.

Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)

nb. 1 Post amalgamation Post wind-up

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. In the calculation below, **corporation** means a predecessor or a subsidiary. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

For a post-wind-up, include the GRIP addition in calculating the parent's GRIP at the end of its tax year that immediately follows the tax year during which it receives the assets of the subsidiary.

Complete a separate worksheet for each predecessor and each subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Corporation's GRIP at the end of its last tax year AA

Eligible dividends paid by the corporation in its last tax year BB

Excessive eligible dividend designations made by the corporation in its last tax year CC

Subtotal (line BB minus line CC) DD

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) EE

(line AA minus line DD)

After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the EE lines. Enter this total amount on:

- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

Part 4 – Worksheet to calculate the GRIP addition post-amalgamation, post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC**nb. 1** Corporation becoming a CCPC ☐ Post amalgamation ☐ Post wind-up ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary was not a CCPC or a DIC in its last tax year. Also, use this part for a corporation becoming a CCPC. In the calculation below, **corporation** means a corporation becoming a CCPC, a predecessor, or a subsidiary.

For a post-wind-up, include the GRIP addition in calculating the parent's GRIP at the end of its tax year that immediately follows the tax year during which it receives the assets of the subsidiary.

Complete a separate worksheet for **each** predecessor and **each** subsidiary that was not a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Cost amount to the corporation of all property immediately before the end of its previous/last tax year **FF**The corporation's money on hand immediately before the end of its previous/last tax year **GG**

Unused and unexpired losses at the end of the corporation's previous/last tax year:

Non-capital losses

Net capital losses

Farm losses

Restricted farm losses

Limited partnership losses

Subtotal **HH**Subtotal (add lines FF, GG, and HH) **II**All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year **JJ**Paid-up capital of all the corporation's issued and outstanding shares of capital stock immediately before the end of its previous/last tax year **KK**All the corporation's reserves deducted in its previous/last tax year **LL**The corporation's capital dividend account immediately before the end of its previous/last tax year **MM**The corporation's low rate income pool immediately before the end of its previous/last tax year **NN**Subtotal (add lines JJ, KK, LL, MM, and NN) **OO****GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC (line II minus line OO) (if negative, enter "0")** **PP**

After you complete this worksheet for each predecessor and each subsidiary, calculate the total of all the PP lines. Enter this total amount on:

- line 220 for a corporation becoming a CCPC;
- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

Part 5 – General rate factor for the tax year

Complete this part to calculate the general rate factor for the tax year.

0.68	x	number of days in the tax year before January 1, 2010		=		QQ
		number of days in the tax year	365			
0.69	x	number of days in the tax year in 2010		=		RR
		number of days in the tax year	365			
0.7	x	number of days in the tax year in 2011		=		SS
		number of days in the tax year	365			
0.72	x	number of days in the tax year after December 31, 2011	365	=	0.720000000	TT
		number of days in the tax year	365			

General rate factor for the tax year (total of lines QQ to TT) 0.72000 UU

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SCHEDULE 55

PART III.1 TAX ON EXCESSIVE ELIGIBLE DIVIDEND DESIGNATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

- 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 on this schedule are to the federal *Income Tax Act*.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool (GRIP), and low rate income pool (LRIP).
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

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		468,750	
Total taxable dividends paid in the tax year	100	468,750	
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	5,615,409 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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SCHEDULE 508

ONTARIO RESEARCH AND DEVELOPMENT TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

- Use this schedule to:
 - calculate an Ontario research and development tax credit (ORDTC);
 - claim an ORDTC earned in the tax year or carried forward from any of the 20 previous tax years that are a tax year ending after December 31, 2008, to reduce Ontario corporate income tax payable in the current tax year;
 - carry back an ORDTC to reduce Ontario corporate income tax payable in any of the three previous tax years, but not to a tax year that ends before January 1, 2009;
 - add an ORDTC that was allocated to the corporation by a partnership of which it was a member;
 - transfer an ORDTC after an amalgamation or windup; or
 - calculate a recapture of the ORDTC.
- The ORDTC is a 4.5% non-refundable tax credit on eligible expenditures incurred by a corporation in a tax year that ends after December 31, 2008.
- An eligible expenditure is an expenditure for a permanent establishment in Ontario of a corporation, that is a qualified expenditure for the purposes of section 127 of the federal *Income Tax Act* for scientific research and experimental development (SR&ED) carried on in Ontario.
- Only corporations that are not exempt from Ontario corporate income tax and none of whose income is exempt income can claim the ORDTC.
- Attach a completed copy of this schedule to the *T2 Corporation Income Tax Return*.

Part 1 – Ontario SR&ED expenditure pool

Total eligible expenditures incurred by the corporation in Ontario in the tax year	100	76,445	A
Deduct: Government assistance, non-government assistance, or a contract payment for eligible expenditures	105		B
Net eligible expenditures for the tax year (amount A minus amount B) (if negative, enter "0")		76,445	C
Add: Eligible expenditures transferred to the corporation by another corporation	110		D
Subtotal (amount C plus amount D)		76,445	E
Deduct: Eligible expenditures the corporation transferred to another corporation	115		F
Ontario SR&ED expenditure pool (amount E minus amount F) (if negative, enter "0")	120	76,445	G

Part 2 – Calculation of the current part of the ORDTC

Ontario SR&ED expenditure pool (amount G in Part 1)	76,445	x	4.50 %	=	200	3,440	H	
ORDTC allocated to a corporation by a partnership of which it is a member (other than a specified member) for a fiscal period that ends in the corporation's tax year *					205		I	
* If there is a disposal or change of use of eligible property, see Part 6								
Repayment made in the tax year of government or non-government assistance or a contract payment that reduced an eligible expenditure other than for first term or second term shared-use equipment	210	x	4.50 %	=	215		J	
Repayment made in the tax year of government or non-government assistance or a contract payment that reduced an eligible expenditure for first term or second term shared-use equipment	220	x	1 / 4	=		x	4.50 % = 225	K
Current part of the ORDTC (total of amounts H to K)					230	3,440	L	

Part 3 – Calculation of ORDTC available for deduction and ORDTC balance

ORDTC balance at the end of the previous tax year M

Deduct: ORDTC expired after 20 tax years **300** N

ORDTC at the beginning of the tax year (amount M minus amount N) **305** O

Add:

ORDTC transferred on amalgamation or windup **310** P

Current part of ORDTC (amount L in Part 2) 3,440 Q

Are you waiving all or part of the
current part of the ORDTC? **315** Yes 1 ☐ No 2 ☒

If you answered **yes** at line 315, enter the amount of
the tax credit waived on line 320.

If you answered **no** at line 315, enter "0" on line 320.

Deduct: Waiver of the current part of the ORDTC **320** R

Subtotal (amount Q minus amount R) 3,440 ▶ 3,440 S

ORDTC available for deduction (total of amounts O, P and S) 3,440 ▶ 3,440 T

Deduct:

ORDTC claimed * (Enter amount U on line 416 of Schedule 5, *Tax Calculation*
Supplementary – Corporations) U

ORDTC carried back to a previous tax year (from Part 4) V

Subtotal (amount U plus amount V) ▶ W

ORDTC balance at the end of the tax year (amount T minus amount W) **325** 3,440 X

* This amount cannot be more than the lesser of the following amounts:

- ORDTC available for deduction (amount T); or
- Ontario corporate income tax payable before the ORDTC and the Ontario corporate minimum tax credit (amount from line E6 of Schedule 5).

Part 4 – Request for carryback of tax credit

	Year	Month	Day		
1 st previous tax year	2013	12	31	Credit to be applied	901
2 nd previous tax year	2012	12	31	Credit to be applied	902
3 rd previous tax year	2011	12	31	Credit to be applied	903

Total (enter amount on line V in Part 3)

Calculation 2 – If the corporation is deemed by subsection 42(1) of the *Taxation Act, 2007* (Ontario) to have transferred all or part of the eligible expenditure to another corporation as a consequence of an agreement described in subsection 127(13) of the federal Act complete Calculation 2. Otherwise, enter nil on line II.

CC	DD	EE
The rate percentage that the transferee used to determine its federal ITC for a qualified expenditure that was transferred under an agreement under subsection 127(13) of the federal Act	The proceeds of disposition of the property if you dispose of it to a person at arm's length; or, in any other case, the fair market value of the property at conversion or disposition	The amount, if any, already provided for in Calculation 1 (this allows for the situation where only part of the cost of a property is transferred for an agreement under subsection 127(13) of the federal Act)
720	730	740
1.		

FF	GG	HH
Amount determined by the formula $(CC \times DD) - EE$ (using the columns above)	The federal ITC earned by the transferee for the qualified expenditure that was transferred	Amount from column FF or GG, whichever is less
	750	
1.		

Subtotal (enter amount II on line LL below) _____ **II**

Calculation 3

As a member of a partnership, you will report your share of the ORDTC of the partnership after the ORDTC has been reduced by the amount of the recapture. If this is a positive amount, you will report it on line 205 in Part 2. However, if the partnership does not have enough ORDTC otherwise available to offset the recapture, then the amount by which reductions to the ORDTC exceeds additions (the excess) will be determined and reported on line JJ.

Corporate partner's share of the excess of ORDTC (enter amount JJ at line NN below) **760** **JJ**

Part 7 – Total recapture of ORDTC

Recaptured federal ITC for Calculation 1 (amount from line BB)	.....	KK
Recaptured federal ITC for Calculation 2 (amount from line II above)	.....	LL
Amount KK plus amount LL	.....	MM
		x 23.56 % =
Add: Corporate partner's share of the excess of ORDTC for Calculation 3 (amount from line JJ above)	.....	NN
Recapture of ORDTC (amount MM plus amount NN) (enter amount OO on line 277 of Schedule 6)	.....	OO

Schedule A - Worksheet for eligible expenditures incurred by the corporation in Ontario for the current taxation year

This worksheet allows you to report the amount of eligible expenditures entered on Form T661, *Scientific Research and Experimental Development (SR&ED) Expenditures Claim* which represents eligible expenditures as defined in section 127 of the *Income Tax Act* (ITA) with regard to scientific research and experimental development (SR&ED) carried on in Ontario and attributable to a permanent establishment in Ontario of a corporation.

Data on the worksheet is calculated based on the amounts on Form T661, but will have to be adjusted according to the rules of Ontario, if applicable, in particular when the corporation has had a permanent establishment in more than one jurisdiction. This data will be used when calculating Schedule 508 and Schedule 566.

Enter the breakdown between current and capital expenditures

	Current Expenditures	Capital Expenditures
Total expenditures for SR&ED	73,063	
Add		
• payment of prior years' unpaid expenses (other than salary or wages)	+	
• prescribed proxy amount (Enter "0" if you use the traditional method)	+	
	5,920	
• expenditures on shared-use equipment		+
• other additions	+	+
Subtotal =	78,983	=
Less		
• current expenditures (other than salary or wages) not paid within 180 days of the tax year end	-	
• amounts paid in respect of an SR&ED contract to a person or partnership that is not taxable supplier	-	
• 20% of contract expenditures for SR&ED performed on your behalf	-	
	2,538	
• prescribed expenditures not allowed by regulations	-	
• other deductions	-	
• non-arm's length transactions		
- expenditures for non-arm's length SR&ED contracts	-	
- purchases (limited to costs) of goods and services from non-arm's length suppliers	-	
Subtotal =	76,445	= II
Total eligible expenditures incurred by the corporation in Ontario in the tax year (add amount I and II)		= 76,445 III

Enter amount III on line 100 of Schedule 508.

Canada Revenue Agency
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du Canada

SCHEDULE 546

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
INNPPOWER CORPORATION	89242 2817 RC0001	2014-12-31

- 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)			
INNPPOWER CORPORATION			
Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent	110 Date of incorporation or amalgamation, whichever is the most recent	Year Month Day	120 Ontario Corporation No.
Ontario		2000-10-05	7284940

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	
2073	COMMERCE PARK DR		
240 Additional address information if applicable (line 220 must be completed first)			
250 Municipality (e.g., city, town)	260 Province/state	270 Country	280 Postal/zip code
INNISFIL	ON	CA	L9S 4A2

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 COOLEGE	451 LAURIE ANN
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.

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

Part 5 – Mailing address

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

Part 6 – Language of preference

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

SCHEDULE 550

ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
INNPPOWER CORPORATION	89242 2817 RC0001	2014-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the *Taxation Act, 2007* (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for a qualifying work placement. The maximum credit amount is \$1,000 for each qualifying work placement ending before March 27, 2009, and \$3,000 for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
 - the student performs employment duties for a corporation under a qualifying co-operative education program (QCEP);
 - the WP has been developed or approved by an eligible educational institution as a suitable learning situation;
 - the terms of the WP require the student to engage in productive work;
 - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
 - the student is paid for the work performed in the WP;
 - the corporation is required to supervise and evaluate the job performance of the student in the WP;
 - the institution monitors the student's performance in the WP; and
 - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the *T2 Corporation Income Tax Return*.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Corporate information

110 Name of person to contact for more information	120 Telephone number including area code
LAURIE ANN COOLEDGE	(705) 431-4321
Is the claim filed for a CETC earned through a partnership? ^a	150 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>
If you answered yes to the question at line 150, what is the name of the partnership?	160
Enter the percentage of the partnership's CETC allocated to the corporation	170 %

^a When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 550 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 550 to claim the partner's share of the partnership's CETC. The allocated amounts can not exceed the amount of the partnership's CETC.

Part 2 – Eligibility

1. Did the corporation have a permanent establishment in Ontario in the tax year?	200 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/>
2. Was the corporation exempt from tax under Part III of the <i>Taxation Act, 2007</i> (Ontario)?	210 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>

If you answered **no** to question 1 or **yes** to question 2, then the corporation is **not eligible** for the CETC.

Part 3 – Eligible percentage for determining the eligible amount

Corporation's salaries and wages paid in the previous tax year * **300** 3,304,022

For eligible expenditures incurred before March 27, 2009:

- If line 300 is \$400,000 or less, enter 15% on line 310.
- If line 300 is \$600,000 or more, enter 10% on line 310.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 310 using the following formula:

$$\text{Eligible percentage} = 15\% - \left[5\% \times \left(\frac{\text{amount on line 300} - \$400,000}{\$200,000} \right) \right]$$

Eligible percentage for determining the eligible amount **310** 10.000 %

For eligible expenditures incurred after March 26, 2009:

- If line 300 is \$400,000 or less, enter 30% on line 312.
- If line 300 is \$600,000 or more, enter 25% on line 312.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 312 using the following formula:

$$\text{Eligible percentage} = 30\% - \left[5\% \times \left(\frac{\text{amount on line 300} - \$400,000}{\$200,000} \right) \right]$$

Eligible percentage for determining the eligible amount **312** 25.000 %

* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act*, 2007 (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

A Name of university, college, or other eligible educational institution 400		B Name of qualifying co-operative education program 405	
1. Georgian College		Business Administration	
2. Georgian College		Electrical Engineering	
3. Georgian College		Electrical Engineering	
4. Georgian College		Electrical Engineering	
5.			
C Name of student 410		D Start date of WP (see note 1 below) 430	E End date of WP (see note 2 below) 435
1. Gomes, Amanda		2013-09-03	2014-01-03
2. Milburn, Michael		2013-08-20	2013-12-31
3. Shepherd, Jeremy		2014-01-02	2014-04-25
4. Montgomery, Brandon		2014-08-25	2014-12-31
5.			

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

Part 4 – Calculation of the Ontario co-operative education tax credit (continued)

	F1 Eligible expenditures before March 27, 2009 (see note 1 below) 450		F2 Eligible expenditures after March 26, 2009 (see note 1 below) 452		X Number of consecutive weeks of the WP completed by the student before March 27, 2009 (see note 3 below)		Y Total number of consecutive weeks of the student's WP (see note 3 below)
1.		10.000 %	1,498	25.000 %			17
2.		10.000 %	1,589	25.000 %			18
3.		10.000 %	8,467	25.000 %			16
4.		10.000 %	9,912	25.000 %			18
5.		10.000 %		25.000 %			

	G Eligible amount (eligible expenditures multiplied by eligible percentage) (see note 2 below) 460		H Maximum CETC per WP (see note 3 below) 462		I CETC on eligible expenditures (column G or H, whichever is less) 470		J CETC on repayment of government assistance (see note 4 below) 480		K CETC for each WP (column I or column J) 490
1.	375		3,000		375				375
2.	397		3,000		397				397
3.	2,117		3,000		2,117				2,117
4.	2,478		3,000		2,478				2,478
5.									

Ontario co-operative education tax credit (total of amounts in column K) **500****5,367 L**or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L:Amount L _____ x percentage on line 170 in Part 1 _____ % = _____ **M**Enter amount L or M, whichever applies, on line 452 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

Note 2: Calculate the eligible amount (Column G) using the following formula:

$$\text{Column G} = (\text{column F1} \times \text{percentage on line 310}) + (\text{column F2} \times \text{percentage on line 312})$$

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is \$1,000.

If the WP begins after March 26, 2009, the maximum credit amount for the WP is \$3,000.

If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

$$(\$1,000 \times X/Y) + [\$3,000 \times (Y - X)/Y]$$

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009,
and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a **separate entry** for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received. Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.



Canada Revenue Agency
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du Canada

SCHEDULE 552

ONTARIO APPRENTICESHIP TRAINING TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
INNPOWER CORPORATION	89242 2817 RC0001	2014-12-31

- Use this schedule to claim an Ontario apprenticeship training tax credit (ATTC) under section 89 of the *Taxation Act, 2007* (Ontario).
- The ATTC is a refundable tax credit that is equal to a specified percentage (25% to 45%) of the eligible expenditures incurred by a corporation for a qualifying apprenticeship. Before March 27, 2009, the maximum credit for each apprentice is \$5,000 per year to a maximum credit of \$15,000 over the first 36-month period of the qualifying apprenticeship. After March 26, 2009, the maximum credit for each apprentice is \$10,000 per year to a maximum credit of \$40,000 over the first 48-month period of the qualifying apprenticeship. The maximum credit amount is prorated for an employment period of an apprentice that straddles March 26, 2009.
- Eligible expenditures are salaries and wages (including taxable benefits) paid to an apprentice in a qualifying apprenticeship or fees paid to an employment agency for the provision of services performed by the apprentice in a qualifying apprenticeship. These expenditures must be:
 - paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario;
 - for services provided by the apprentice during the first 36 months of the apprenticeship program, if incurred before March 27, 2009; and
 - for services provided by the apprentice during the first 48 months of the apprenticeship program, if incurred after March 26, 2009.
- An expenditure is not eligible for an ATTC if:
 - the same expenditure was used, or will be used, to claim a co-operative education tax credit; or
 - it is more than an amount that would be paid to an arm's length apprentice.
- An apprenticeship must meet the following conditions to be a qualifying apprenticeship:
 - the apprenticeship is in a qualifying skilled trade approved by the Ministry of Training, Colleges and Universities (Ontario); and
 - the corporation and the apprentice must be participating in an apprenticeship program in which the training agreement has been registered under the *Ontario College of Trades and Apprenticeship Act, 2009* or the *Apprenticeship and Certification Act, 1998* or in which the contract of apprenticeship has been registered under the *Trades Qualification and Apprenticeship Act*.
- Make sure you keep a copy of the training agreement or contract of apprenticeship to support your claim. Do not submit the training agreement or contract of apprenticeship with your *T2 Corporation Income Tax Return*.
- File this schedule with your *T2 Corporation Income Tax Return*.

Part 1 – Corporate information (please print)

110 Name of person to contact for more information	120 Telephone number including area code
LAURIE ANN COOLEGE	(705) 431-4321
Is the claim filed for an ATTC earned through a partnership? * 150 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>	
If yes to the question at line 150, what is the name of the partnership? 160	
Enter the percentage of the partnership's ATTC allocated to the corporation 170 %	
* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 552 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 552 to claim the partner's share of the partnership's ATTC. The total of the partners' allocated amounts can never exceed the amount of the partnership's ATTC.	

Part 2 – Eligibility

1. Did the corporation have a permanent establishment in Ontario in the tax year?	200 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/>
2. Was the corporation exempt from tax under Part III of the <i>Taxation Act, 2007</i> (Ontario)?	210 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>
If you answered no to question 1 or yes to question 2, then you are not eligible for the ATTC.	

Part 3 – Specified percentageCorporation's salaries and wages paid in the previous tax year * **300** 3,304,022

For eligible expenditures incurred before March 27, 2009:

- If line 300 is \$400,000 or less, enter 30% on line 310.
- If line 300 is \$600,000 or more, enter 25% on line 310.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 310 using the following formula:

$$\text{Specified percentage} = 30\% - \left[5\% \times \left(\frac{\text{amount on line 300} - 400,000}{200,000} \right) \right]$$

Specified percentage **310** 25.000 %

For eligible expenditures incurred after March 26, 2009:

- If line 300 is \$400,000 or less, enter 45% on line 312.
- If line 300 is \$600,000 or more, enter 35% on line 312.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 312 using the following formula:

$$\text{Specified percentage} = 45\% - \left[10\% \times \left(\frac{\text{amount on line 300} - 400,000}{200,000} \right) \right]$$

Specified percentage **312** 35.000 %* If this is the first tax year of an amalgamated corporation and subsection 89(6) of the *Taxation Act, 2007* (Ontario) applies, enter salaries and wages paid in the previous tax year by the predecessor corporations.**Part 4 – Calculation of the Ontario apprenticeship training tax credit**Complete a **separate entry** for each apprentice that is in a qualifying apprenticeship with the corporation. When claiming an ATTC for repayment of government assistance, complete a **separate entry** for each repayment, and complete columns A to G and M and N with the details for the employment period in the previous tax year in which the government assistance was received.

A Trade code 400	B Apprenticeship program/ trade name 405	C Name of apprentice 410	D Original contract or training agreement number 420	E Original registration date of apprenticeship contract or training agreement (see note 1 below) 425	F Start date of employment as an apprentice in the tax year (see note 2 below) 430	G End date of employment as an apprentice in the tax year (see note 3 below) 435
1. 434a	Powerline Technician	CHRISTOPHER LATOUF				
1. PC9361				2010-10-13	2014-01-01	2014-10-12

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

Note 2: When there are multiple employment periods as an apprentice in the tax year with the corporation, enter the date that is the first day of employment as an apprentice in the tax year with the corporation. When claiming an ATTC for repayment of government assistance, enter the start date of employment as an apprentice for the tax year in which the government assistance was received.

Note 3: When there are multiple employment periods as an apprentice in the tax year with the corporation, enter the date that is the last day of employment as an apprentice in the tax year with the corporation. When claiming an ATTC for repayment of government assistance, enter the end date of employment as an apprentice for the tax year in which the government assistance was received.

Part 4 – Calculation of the Ontario apprenticeship training tax credit (continued)

	H1 Number of days employed as an apprentice in the tax year before March 27, 2009 (see note 1 below) 441	H2 Number of days employed as an apprentice in the tax year after March 26, 2009 (see note 1 below) 442	H3 Number of days employed as an apprentice in the tax year (column H1 plus column H2) 440	I Maximum credit amount for the tax year (see note 2 below) 445
1.		254	254	6,959

	J1 Eligible expenditures before March 27, 2009 (see note 3 below) 451	J2 Eligible expenditures after March 26, 2009 (see note 3 below) 452	J3 Eligible expenditures for the tax year (column J1 plus column J2) 450	K Eligible expenditures multiplied by specified percentage (see note 4 below) 460
1.		72,134	72,134	25,247

	L ATTC on eligible expenditures (lesser of columns I and K) 470	M ATTC on repayment of government assistance (see note 5 below) 480	N ATTC for each apprentice (column L or column M, whichever applies) 490
1.	6,959		6,959
Ontario apprenticeship training tax credit (total of amounts in column N)			500 6,959 O

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

Amount O _____ x percentage on line 170 in Part 1 _____ % = _____ P

Enter amount O or P, whichever applies, on line 454 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 552, add the amounts from line O or P, whichever applies, on all the schedules, and enter the total amount on line 454 of Schedule 5.

Note 1: When there are multiple employment periods as an apprentice in the tax year with the corporation, do not include days in which the individual was not employed as an apprentice.

For H1: The days employed as an apprentice must be within 36 months of the registration date provided in column E.

For H2: The days employed as an apprentice must be within 48 months of the registration date provided in column E.

Note 2: Maximum credit = $(\$5,000 \times H1/365^*) + (\$10,000 \times H2/365^*)$

* 366 days, if the tax year includes February 29

Note 3: Reduce eligible expenditures by all government assistance, as defined under subsection 89(19) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, in respect of the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

For J1: Eligible expenditures before March 27, 2009, must be for services provided by the apprentice during the first 36 months of the apprenticeship program.

For J2: Eligible expenditures after March 26, 2009, must be for services provided by the apprentice during the first 48 months of the apprenticeship program.

Note 4: Calculate the amount in column K as follows:

Column K = $(J1 \times \text{line 310}) + (J2 \times \text{line 312})$

Note 5: Include the amount of government assistance repaid in the tax year multiplied by the specified percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the ATTC in that tax year.

Complete a **separate entry** for each repayment of government assistance.

1 **APPENDIX I: WATER/WASTE WATER SERVICE AGREEMENT**

2

DUPLICATE ORIGINAL

THE CORPORATION OF THE TOWN OF INNISFIL

BY-LAW NO. 023-12

A By-Law of The Corporation of the Town of Innisfil to authorize the Mayor and Clerk to execute the Water/Wastewater Billing Services Agreement with Innisfil Hydro Distribution Systems Limited.

WHEREAS municipalities have the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under the *Municipal Act, 2001*, S.O. 2001, c. 25, pursuant to Section 9 of that Act;

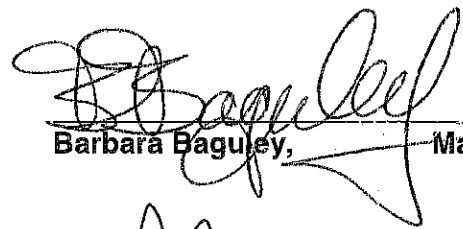
AND WHEREAS Council considered Staff Report DSR-024-12 on February 1, 2012 at its Regular Meeting;


AND WHEREAS Council for the Town of Innisfil deems it appropriate to enter into the Water/Wastewater Billing Services Agreement with Innisfil Hydro Distribution Systems Limited.

NOW THEREFORE the Council of The Corporation of the Town of Innisfil enacts as follows:

1. THAT subject to all of the conditions being met, authority is hereby granted for the Mayor and Clerk to execute the Water/Wastewater Billing Services Agreement with Innisfil Hydro Distribution Systems Limited to the obligations under the Agreement, substantially in the form attached hereto as Schedule "A", which forms part of this by-law.
2. THAT this by-law shall come into force and take effect immediately upon the approval of Council.

READ A FIRST TIME AND PASSED THIS 1ST, DAY OF FEBRUARY, 2012.


Barbara Baguley, Mayor


Jason Reynar, Clerk

WATER/WASTEWATER BILLING SERVICES AGREEMENT

THIS AGREEMENT made in quadruplicate this day of , 2012.

BETWEEN:

THE CORPORATION OF THE TOWN OF INNISFIL
(“Town”)

OF THE FIRST PART

- and -

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED
(“Contractor”)

OF THE SECOND PART

WHEREAS the Council of the Corporation of the Town of Innisfil deems it appropriate to contract with Innisfil Hydro Distribution Systems Limited to provide more frequent water and wastewater billings to its customers than is being provided at the date of this agreement; and,

WHEREAS Council passed By-law No. 023-12 on February, 2012, authorizing the execution of this Agreement for a five year period;

WHEREAS the Innisfil Hydro Distribution Systems Limited Board authorized the direction contemplated in this Agreement on October 17, 2011.

NOW THEREFORE IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS CONTAINED HEREIN AND SUBJECT TO THE TERMS AND CONDITIONS HEREINAFTER SET OUT, THE PARTIES HEREBY AGREE AS FOLLOWS:

Definitions

1. In this Agreement the following terms shall have the meaning ascribed to them:
 - (a) “Act” refers to the *Occupational Health and Safety Act*, R.S.O. 1990, c. O.1., as amended;
 - (b) “Catch-up” refers to the difference between the life to date consumption billed to the customer and the life to date consumption as registered by the water meter;
 - (c) “Commercial/Industrial Customer” refers to all Non-Residential properties for which water and waste water services are provided by the Town;
 - (d) “Contractor” refers to Innisfil Hydro Distribution Systems Limited;
 - (e) “Customers” refers collectively to Commercial/Industrial Customers and Residential Customers;
 - (f) “Deferred Payment” refers to a required payment resulting from a Catch-up amount outstanding in addition to the current billing;

- (g) "Direct Read" refers to a reading taken directly from the water meter and does not include reads taken from a Remote device;
- (h) "Estimate" refers to a reading attributed to an account in the absence of an actual reading;
- (i) "Regulations" refers to the regulations passed under the *Occupational Health and Safety Act*, R.S.O. 1990, c.O.1., as amended;
- (j) "Remote" refers to the device outside the premise that is attached by wire to the water meter and is capable of communicating the read from the water meter;
- (k) "Residential Customer" refers to any customer whose water consumption is for normal household purposes such as bathing, cooking, washing, etc.;
- (l) "Standards" refers to the applicable industry standards for services; and,
- (m) "Town" refers to The Corporation of the Town of Innisfil.

METER READING

Regular Readings

2. The Contractor shall conduct all readings within the municipal boundaries of The Town of Innisfil on behalf of the Town from the Remote or from the water meter inside the serviced location receiving municipal water services.

Frequency of Reads

3. The Contractor shall use its best commercial efforts to read the meters or Remotes of Residential Customers not less than once every month or such other periodic basis mutually agreed to in writing between the parties of the contract.
4. The Contractor shall use its best commercial efforts to read the meters or remotes of Commercial/Industrial Customers not less than once every month or such other periodic basis mutually agreed to in writing between the parties of the contract.

Non-Remote Locations – (Direct Reads)

5. Notwithstanding section 3 and 4 of this Agreement, in the event the Customer does not have a Remote, the Contractor shall use its best commercial effort to enter the serviced location to take a Direct Read. If there is no response from the Customer, the Contractor shall leave a Self Read Card supplied by the Contractor for the Customer in a place where the Customer would be reasonably expected to see it, which indicates that the Customer is required to provide same to the Contractor.

Capacity for the Customer to Direct Read

6. The Contractor will provide for an efficient system that is convenient for the Customer to communicate the Customer's Direct Read to the Contractor.

Method of Recording

7. Except where the Customer is requested to provide a Direct Read, each Direct Read or Remote read shall be captured electronically and the reading capture device shall be capable of communicating to the person conducting the read the correct number of dials to be read for each Customer location.

Final Reads

8. In the case where the Customer at a serviced location is going to change, the Contractor shall make commercially best efforts to obtain a final meter reading for the serviced location either by Direct read or from the Remote.

Re-reads

9. (a) Upon request by a Customer, the Contractor will re-read the meter when a concern over reading accuracy is raised. In the event that there is an error in the meter reading, the Customer's original bill will be cancelled and a new bill prepared and provided to the Customer at no cost to the Town or the Customer. Alternatively, the Contractor may elect to accordingly adjust the amount owing on the next month's bill to correct the error.

(b) In the event the reading is proven to be correct, the Customer requesting the re-read will be charged a "Check Read" Fee per the Town's by-laws and policies and the Customer's bill will be due and payable as rendered. In the event that the Town's by-laws and policies do not stipulate a "Check Read" Fee to be paid by the Customer, the Contractor shall charge the Town \$5.00 per "Check Read" in the first three years of this Agreement and \$5.50 in the last two years.

Routes

10. The Contractor shall develop the most efficient routes for reading the meters.

Hours of Work

11. The meter reading services shall generally be provided between the hours of 8 a.m. and 5 p.m. on week days, subject to extenuating circumstances.

Training

12. The Contractor shall be responsible for training its employees, agents and subcontractors to take accurate reads from all the Town's meters and Remotes. The Contractor shall also be responsible for notifying its meter reading employees, agents and subcontractors of any dangers that it knows or ought to know are present at a specific Customer location (e.g. dog in backyard).

Notification of Irregularities

13. The Contractor shall notify the Town of all serviced locations where the meter or Remote has stopped functioning correctly.
14. The Contractor shall notify the Town of any serviced locations where it appears that water service is provided but is not metered.

15. The Contractor shall notify the Town of any premise where it appears that the water service has been illegally by-passed or if the Remote or meter is damaged or has been tampered with. The Town shall provide the Contractor with training on how to recognize such tampering and damage at the Contractor's request.

Identification

16. Each person charged with meter reading shall carry and prominently display their official identification. At no time shall the Contractor, its employees, agents or subcontractors display identification or otherwise portray themselves as employees of the Town.

BILLING

General

17. The Contractor shall calculate the water and wastewater charges based on the reads of the consumption drawn in the case of a base rate plus volume usage or fixed rates where applicable, and any ad-hoc charges, all in accordance with the latest Town billing rates and policies. The Contractor shall produce the customer invoices and distribute these invoices as part of the customer's regular hydro bill. The frequency of the water and waste water invoices shall be the same as the hydro billing or monthly, whichever is more frequent.

Estimates

18. (a) In the event the meter or Remote appears to have malfunctioned, the Contractor shall estimate the amount of consumption for the period based on the customer's historic use and apply current year's rates and billing practices.

(b) In cases where the Customer is serviced with water but has no meter, the Contractor upon discovery shall bill the customer the Town's fixed service charge and any other charges as directed by the Town's latest billing rates and policies. Under no circumstances will the Contractor bear any liability in relation to the malfunctioned Remote, the absence of a Customer meter, or for loss of revenue or consumption charges that could have been charged to the Customer but for the malfunctioned Remote and/or the absence of a meter, except in the case of the negligence of the Contractor or its employees, agents or subcontractors.

Catch-Up

19. Upon the completion of a meter work order that indicates that there is Catch-up consumption, the Contractor shall apply the Town's current year's rates and billing policies to the Catch-up amount.

Billing System Capabilities

20. The Contractor shall provide the necessary computer hardware, software and staffing resources to correctly calculate the fees for service during the billing period, apply customer payments and adjustments, and retain and maintain the Customer and water

meter database. Without limiting the generality of the foregoing, the Contractor's billing system shall be specifically capable of:

- (a) accepting imperial measurement readings and converting the billed consumption to metric measurement;
 - (b) changing billing rate structures on a Customer-wide and Customer-group basis;
 - (c) accommodating a range of Customer payment options, including deferred payments;
 - (d) providing overdue account notification, including to landlords and tenants as required;
 - (e) accommodating non-cyclical billing requests (e.g. change of ownership of property with non-billing cycle moving dates);
 - (f) including miscellaneous ad-hoc billings related to water and wastewater services;
 - (g) calculating an adjusted bill or replacement bill to replace an existing bill as required;
 - (h) recording the type of reads by Customer (e.g. Direct Read by Customer, i.e. self read, estimate, Remote, or Direct Read);
 - (i) specifying the required number of digits to be read associated with specific meter types;
 - (j) rejecting non-conforming reads with respect to the number of dials to be read;
 - (k) flagging consumption which is outside of the pre-set high/low parameters for the account;
 - (l) pro-rating over a rate change period;
 - (m) providing flat rate billing where a meter cannot be installed; and
 - (n) monthly and annual (i.e. January 1 to December 31 inclusive) usage for each meter expressed in cubic meters.
21. The Contractor will provide the Town with database access for Customer contact and meter information, which complies with security and privacy of personal information requirements.

Customer Invoice Content

22. The invoices produced by the Contractor shall be in conformity with the Ontario Energy Board requirements, and shall have a prominent, dedicated section for the water and wastewater portion of the bill. The typeface used in this section will conform to the typeface used in the hydro portion of the invoice, although the Contractor shall endeavour to comply with the Town's accessibility policies. No other non-Town charges shall appear in this section.

23. After the initial changes required to include the following information into the hydro bill, further significant revisions to the Town's portion of the invoice, where such changes materially impact the ongoing operational costs of producing the invoice, those additional costs shall be at the Town's expense. The initial changes required to incorporate the water and wastewater invoice information shall include the following information:

On the joint part of the bill:

- (a) Customer name, address and account number;
- (b) serviced address;
- (c) account classification;
- (d) date meter read;
- (e) date of previous meter reading;
- (f) number of days of consumption that the billing period covers;
- (g) penalties and late payment charges;
- (h) payments received during the billing period;
- (i) opening account balance;
- (j) total amount due;
- (k) equal payment plan amount due (year to date charges, payments, balance);
- (l) date due;
- (m) amount payable;
- (n) phone numbers for customer billing enquiries, meter maintenance service calls, and after hours meter leaking calls only; and
- (o) remittance stub indicating complete customer profile, amount owing and date on which gross and net amounts are payable.

On the Town only part of the bill:

- (p) conversion indicator when converting imperial to metric;
- (q) previous period reading;
- (r) current period reading and indication if it is an estimate;
- (s) consumption for the equivalent period or average per day for the equivalent period of the previous year consumption charge for water;
- (t) wastewater charges;
- (u) service charges for both water and wastewater (shown separately);
- (v) applicable wastewater flow discounts;
- (w) monthly maximum billable flows by classification (i.e. Commercial/Industrial or Residential);
- (x) special charges and fees;
- (y) Catch-up amount due;
- (z) billing adjustments; and,
- (aa) ongoing long term special line items (i.e. Fire Protection).

Equal Billing/PAP Options Allowed

24. The Contractor shall offer the Customer an equal payment and/or Pre-Authorized Payment options if those options are also available for the hydro portion of the bill and provided that the account is adjusted to actual compensation at least once a year as it relates to the equal payment option.

Customer Communications

25. The Customer's invoice shall have a text communication area as a shared section within the common portion of the bill. The Contractor shall implement this communication for water, wastewater, electricity or other communication purposes as deemed appropriate by the Contractor and agreed to by the Town for water and wastewater related information.
26. In addition to the Customer communication area of the invoice, the Town may request the inclusion of inserts in accordance with the specifications provided by the Contractor and at a cost to be negotiated between the parties.

Databases and Information Flow

27. The Contractor shall maintain a database with data initially provided by the Town for each Customer, meter, service and the parties shall, after execution of this agreement, agree in writing to an Addendum setting out the data items and formats provided or required and the data and formats in which the information for the database(s) will be stored.

Meter/Service Work

28. The Contractor shall communicate in writing (by electronic means) all meter work requests to the Town.
29. The Town shall communicate in writing (by electronic means) all completed work order requests to the Contractor.

Notification of Billing Adjustments

30. The Contractor shall take the following steps with Catch-up billing within ten (10) working days after the month's end in which that situation arises:
 - (a) apply the Catch-up consumption to the current bill in accordance with this Agreement and the Contractor shall note the Catch-up consumption and the time of the billing adjustment in the Customer's file; and,
 - (b) when requested, explain to the Customer the reasons for the Catch-up.

CUSTOMER SERVICES

General

31. The Contractor shall provide Customer services in the same fashion as hydro services, as well as through a customer service counter and via telephone, mail, fax and email responses. The Contractor shall provide appropriate responses in a courteous and timely fashion. Without limiting the generality of the foregoing, the following Contractor shall:
 - (a) explain charges on a Customer's account;
 - (b) inform the Customer of the Town's rates and billing and collection practices;

- (c) log a service request for broken meters and Remotes and forward it to the Town for appropriate response and/or action by the Town; and
 - (d) provide customer account updates (change of banking information or ownership, seasonal disconnects/reconnects, etc.).
32. The Contractor shall not be required to defend, justify or provide an opinion to a Customer on the fairness or suitability of the Town's water and wastewater policies, rates or water quality.
33. The Contractor's record-keeping system shall have the capability to log, categorize and archive Customer inquiries and such information shall be provided to the Town at its request.

Customer Service Hours of Operation

34. The Contractor shall provide Customer services during the Contractor's regular hours of business.

CUSTOMER PAYMENTS

Cash Collections

35. The Contractor shall allow Customer payments at the same locations as electricity customers.
36. The Contractor's billing system and cash collection processes shall be adapted to incorporate the capability to facilitate the following:
- (a) multiple payment options;
 - (b) NSF cheques;
 - (c) post dated cheques;
 - (d) damaged cheques and those that cannot be processed;
 - (e) audit trails and internal controls over accuracy and completeness;
 - (f) duplicate payments;
 - (g) partial payments;
 - (h) overpayments;
 - (i) stale dated cheques; and
 - (j) deferred payments.

Overdue Accounts

37. An overdue interest charge as prescribed by the Contractor shall be imposed on all water and wastewater accounts not paid in full by the due date specified on the customer invoice. Any revenue therefrom shall be collected by the Contractor and paid to the Town.

38. The Contractor shall be responsible for making every reasonable effort to collect past due accounts, including but not limited to, the imposition of overdue interest and notification to the Customer of past due amounts through email, written and/or telephone contact. Overdue interest rates charged to Customers shall be the same as those charged by the Contractor for electricity customers (currently one and half percent (1.5%) per month as of the date of signing).

Town Assistance

39. The Contractor may elect to request the Town's assistance in collecting past due water and wastewater accounts in arrears for more than sixty (60) days. Upon the request of the Contractor, the Town shall contact the Customer and determine the appropriate action which may include the termination of service, a repayment plan or such other action that the Town may deem to be appropriate. The Town will promptly notify the Contractor of the resolution of the arrears situation resulting from the Town's contact with the Customer.

Transfer of Accounts to the Town

40. The Contractor shall transfer to the Town all Customer accounts that have been in arrears for ninety (90) days within ten (10) working days after the month's end in which the accounts are ninety (90) days in arrears.
41. Where the Contractor receives a payment, including post-dated cheques, from the Customer after the account has been transferred to the Town, the Contractor shall notify the Town within ten (10) working days after the month's end in which the receipt occurred.

Collection Agencies Restricted

42. The Contractor shall not transfer any arrears of accounts to an independent collection agency unless authorized in writing to do so by the Town. If so authorized, all associated costs of the debt collection process, including agency and legal fees, shall be at the Town's expense.

FLOW OF MONIES TO THE TOWN

Calculation

43. The Contractor shall apply payments received from Customers first to owing electricity charges and then to the water and wastewater owing amounts. The Contractor shall forward to the Town, or other entity as directed by the Town, the total amount received from Customers in respect of water and wastewater charges, less the total fees or other amounts charged by the Contractor for its services pursuant to Schedule "A" attached hereto, plus the amount of any account transferred to the Town during such month, not more than thirty (30) days after the month's end in which the collection of amount occurred.
44. Payment shall be made through an electronic transfer of monies directly into the bank account specified by the Town.

45. Under no circumstances will the Contractor withhold payment or contra other non-water or non-wastewater related items from the monthly remittance required.

Billing Days

46. Where the Contractor does not forward the Town its expected payments in accordance with this Agreement, an overdue interest charge for the number of days delayed at an annual charge equal to the Toronto Dominion Canada Trust prime rate plus two percent (2%) shall be assessed against the total amount delayed.

Reporting

47. Each payment remittance to the Town's Finance Department shall include the following information:
- (a) number of Customers billed and total volume of water billed (expressed in cubic metres);
 - (b) amount billed; and,
 - (c) supporting documentation for final accounts transferred to the Town, clearly indicating account name, service address, forwarding address, owner's name(s) and address if tenanted and details of amounts transferred.

Statements

48. A monthly summary of the Contractor's fees and other charges for services rendered under this Agreement is to be submitted to:

The Town of Innisfil
2101 Innisfil Beach Road
Innisfil, ON L9S 1A1

Attention: Director of Finance

49. Any questions regarding statements are to be directed to the Town's Director of Finance or the Contractor's CFO/Treasurer, respectively.

CHANGES TO THE SERVICES

Quarterly Contact Administrative Meetings

50. The Town or the Contractor may request from the other party a quarterly review of the performance of the services by each party and each party's obligations and to review any potential changes to the services.

Responsibility of the Town for Meter and Remote Maintenance

51. The Town shall provide the Contractor with two existing meter reading devices. On-going maintenance of the meter reading devices will be the responsibility of the Contractor. A work station with the necessary and applicable software loaded shall be provided by the Contractor.

52. The parties acknowledge that the Town is the owner of the meters and Remotes at serviced locations and is responsible for their maintenance and to keep them in good working order.
53. Upon receipt of a notice of a defective meter or Remote from the Contractor, the Town shall make best commercial efforts to undertake to contact the Customer within five (5) working days to arrange for an appointment to inspect, test and repair the meter and/or Remote.
54. The Town shall make best commercial efforts to inspect and repair the meter or Remote of a Customer within twenty (20) working days following notification by the Contractor. The Contractor shall bear no responsibility for the collection of any unbilled water and wastewater consumption of that Customer during the inspection, repair, maintenance or replacement time period.
55. Upon completion of the inspection, repair, maintenance or replacement of the meter or Remote, the Town shall notify the Contractor of the results of the work within five (5) working days or completion and convey the appropriate information necessary to correct and update the Customer's account and the meter or Remote information, such as readings, serial numbers, make and model of new equipment installed, and the old equipment removed.

Supervision

56. The Contractor shall provide skilful and efficient supervision of the services it provides to the Customer and the Town.

Staff and Methods

57. The Contractor shall ensure that its employees, agents and subcontractors comply with the applicable legislation, regulations and Town by-laws and policies. The Town will forward all applicable by-laws and policies to the Contractor on a timely basis.
58. Any of the Contractor's employees, agents or subcontractor's responsible for meter or Remote reading who are deemed by the Town, acting reasonably, to be unacceptable because of incompetence, improper conduct, security risk or disregard for the safety of themselves or others shall be removed from the place at which the services are being performed and replaced forthwith.

TERMS AND TERMINATION

Term of Agreement

59. The term of the Agreement shall be for a period of five (5) years, commencing August 1, 2012.

Subsequent Agreements

60. The parties agree to enter into negotiations twelve (12) months prior to the end of the term of this Agreement to facilitate the transfer of the billing services back to the Town or to negotiate a new agreement for the services.

Termination

61. Either party may at any time and for any reason by notice in writing suspend or terminate the services or any portion thereof on three hundred and sixty-five (365) days' written notice. Upon termination, the Contractor shall provide all data files pertaining to services rendered pursuant to this Agreement to the Town and shall return any and all Remotes and other equipment provided by the Town to the Contractor.
62. Upon receipt of such notice by the Town, the Contractor shall perform the services reasonably necessary, as determined by the Town, to complete the billings to the end of the notice period and close out the services referred to in this Agreement. The Contractor shall only be entitled to invoice for the Contractor's services performed up until the expiry of the three hundred and sixty-five (365) day notice period at the rate in place at the time of receipt of the invoice.
63. Both parties reserve the right at its exclusive option to terminate this Agreement without further liability of any kind upon sixty (90) days written notice:
 - i. for failure by the other party to perform its obligations under the Agreement in a timely fashion or as required by this Agreement; and,
 - ii. for breach of a condition of the Agreement by the other party.

Ownership and Transfer of Customer and Maintenance History Data

64. In the event this Agreement is terminated or comes to an end, the parties agree that the Contractor will deliver to the Town the water and wastewater Customer data and history and serviced location meter data and history in electronic format.

INDEMNIFICATION

General

65. For the arising out of the performance of the Contractor's services under this Agreement, including without limitation any negligent act or omission by any director, employee or agent of the Contractor in providing the Services,
66. Each party covenants and agrees to indemnify and save harmless the other party, its elected officials, directors, officers, employees and agents from any liability, action, claim, loss, injury, damage, payment, cost, fine, fine surcharge, recovery or expense, including substantial indemnity legal fees, recovered against itself, its councillors, officers, employees or agents, arising out of the performance or failure to perform by the other party under the obligations of this Agreement, including without limitation any negligent act or omission by any director, employee or agent. The parties agree that they shall provide the other party with prompt notice of any matter giving rise to this indemnification.
67. The Contractor shall defend a claim or suit arising from this Agreement against (a) both the Town and the Contractor; or, (b) the Town individually. If the Town, at its discretion, is unsatisfied with the defence provided by the Contractor, the Town may engage or retain its own counsel, the fees for which will be paid by the Contractor.

Damage Claims

68. The Contractor shall continuously protect the Town's and Customers' property and any adjacent property from damage, injury or loss arising in connection with this Agreement. It shall make restitution at its own expense for any damage, injury or loss to the Town's or Customers' property or adjacent property. The Contractor shall not be responsible for any such damage, injury or loss which the Town has agreed in writing to insure or which may be directly caused by the Town, its agents or employees.

Force Majeure

69. (a) Neither party shall be responsible for any delay or failure to perform its obligations under this Agreement where such delay or failure is due to fire, flood, explosion, war, embargo, governmental action, labour disruption, Act of Public Authority, Act of God, or to any other cause beyond its control, except labour disruption.
- (b) In the event Force Majeur occurs, the party who is delayed or fails to perform shall give prompt notice to the other party and shall take all reasonable steps to eliminate the cause.
- (c) Should the Force Majeure event last for longer than thirty (30) days, the Town may terminate this Agreement by notice to the Contractor without further liability, expense or cost of any kind.

INSURANCE

General Liability

70. The Contractor shall effect prior to the commencement of the services, and shall maintain and keep in force during the carrying out of the Contractor's services under this Agreement, commercial general liability insurance, naming the Town as an additional insured, protecting both the Contractor and the Town against claims for contractual liability, personal injury, bodily injury, death, property damage, or other third party or public liability claims arising from any accident or occurrence in respect of such services performed by the Contractor, in an amount not less than FIVE MILLION DOLLARS (\$5,000,000.00) in respect of any one accident or occurrence.

Automobile Liability

71. The Contractor shall effect prior to commencement of the services, and shall maintain and keep in force during the carrying out of the services, automobile liability insurance. Such policy shall protect the Contractor against all liability arising out of the use of owned and non-owned automobiles. The limits of the liability under this insurance policy shall be in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence.

Terms and Policies

72. The Contractor shall effect, and shall keep in force during the carrying out of its services, naming jointly the Contractor and the Town, any other form of insurance as

the Town may from time to time require, in which case the fees set out in Schedule "A" attached hereto may be adjusted accordingly to allow for the costs of the additional premiums for such insurance.

73. In the event that the Town requests that the amount of coverage be increased under any policy of insurance required to be effected under this section, the Contractor shall endeavour forthwith to obtain such increased coverage and the Town shall pay for any additional cost thereof with written notice.
74. Any policies required to be effected by the Contractor shall, where available, contain a cross-liability clause.
75. Subject to paragraphs 74 and 75 in this Agreement, the Contractor shall pay all premiums and costs of all insurance required to be effected by the Contractor under any provision of this Agreement, and shall, prior to commencing its services, furnish to the Town a certificate of insurance and from time to time keep on file with the Town any renewal Agreement and other documents sufficient to show and establish accurately at all times the current status of policies in force, and in particular shall submit to the Town not later than fifteen (15) days before the expiration of every current policy evidence of the renewal of the policy or the issuance of a replacement policy and of the payment of all premiums due for the renewal or replacement, and shall promptly notify the Town of any cancellation or intended cancellation by any insurer of any policy or any circumstances known to the Contractor materially affecting its coverage. The Contractor should advise the Town of any insurance carrier change but does not require prior approval to change carriers.
76. If the Contractor defaults on any of its obligations under this Agreement regarding insurance, the Town may, but is not obliged to, place any insurance at the cost and expense of the Contractor, or pay any arrears of premium, and any expense incurred by the Town, including deductible payments, shall be reimbursed to it by the Contractor on demand without prejudice to any other rights and remedies of the Town under this Agreement.

SUCCESSORS AND ASSIGNS

Previous Agreements

77. This agreement supersedes all previous agreements, arrangements, or understandings between the parties whether written or oral in connection with, or incidental to, the services.

Inspection and Access

78. The Town shall have the right to periodically examine the Contractor's records and equipment to ensure the completeness and accuracy of the Customer's payments processed. The Town shall provide the Contractor with at least seventy-two (72) hours notice of its intent to examine the Contractor's records and equipment.

Relationship of the Parties

79. (a) The Contractor expressly acknowledge that it is an independent contractor and no agency, partnership or employer-employee relationship is intended or created by this Agreement.
- (b) The Contractor shall be solely responsible for all matters relating to statutory deduction of all taxes, employment insurance and Canada Pension and all licenses and permits which may be or become required to perform its services.
- (c) The Contractor shall be solely responsible for all matters relating to leave, remuneration, Workers' Compensation, insurance premiums, discipline, and the health and safety of its employees, agents and subcontractors..

Workplace Safety and Insurance Act

80. The Contractor shall furnish evidence of compliance with all requirements of the *Workplace Safety and Insurance Act*, 1997, S.O. 1997, c. 16, as amended, and its regulations passed thereunder. Such evidence shall include a certificate of good standing issued prior to commencement of the services under this Agreement.

Taxes

81. Unless otherwise stated, the Town shall pay all applicable provincial and federal government sales taxes, known at the commencement of this Agreement, with respect to the services carried out by the Contractor for the Town under this Agreement. The Contractor will charge the Customer, where applicable, and remit the necessary taxes related to any of the services the Contractor provides directly to the Customer.

By-Laws, Codes and Regulations

82. Unless otherwise specified, the Contractor shall obtain and pay for all necessary permits, licenses, certificates and inspections required for the execution of the services.
83. Where codes or regulations conflict, the more stringent shall govern.
84. The Contractor shall maintain a copy of the Contractor's own internal code, policy or standard relating to the services, and agrees to produce such copy at the request of the Town.

Warranty

85. Each party represents and warrants to the other party that all of its written representations and warranties made in this Agreement shall be true and correct in all material respects as at the time of the execution of this Agreement.

Dispute Resolution

86. (a) In the event of a dispute arising between the Town and the Contractor as to their respective rights and obligations under this agreement, both parties agree to use

their best efforts to resolve the dispute by mutual agreement for a period of not less than fourteen (14) days.

(b) In the event the parties fail to resolve the dispute by mutual agreement after fourteen (14) days, either party may give written notice to the other party requesting the matter be submitted to a dispute resolution committee made up of a maximum of three mutually agreeable members drawn from either party or externally selected. This informal dispute resolution committee will convene a meeting and attempt to resolve the matter within fourteen (14) days of written notice of the other party agreeing to the request to submit the matter to the dispute resolution committee.

(c) In the event the request to submit the matter to the dispute resolution committee is rejected or left unanswered, or the dispute resolution committee is unsuccessful in resolving the dispute, the , either party may give written notice to the other party declaring the attempted dispute resolution by mutual agreement to be a failure.

(d) In the event notice of failure to resolve the dispute by mutual agreement is given, the dispute shall be submitted to binding arbitration by a single arbitrator mutually agreed to by the parties with the costs of the arbitration being borne equally by the parties.

Notice

87. Any notice required to be given under this Agreement may be given personally or by prepaid first class mail (in which case receipt shall be deemed to have occurred five (5) clear days after the mailing thereof) or via facsimile (in which case receipt shall be deemed to have occurred one day after transmission). Notice to the parties shall be delivered at the following address or fax numbers:

Town: The Town of Innisfil
 2101 Innisfil Beach Road
 Innisfil, ON L9S 1A1

Fax: 705-436-7120

Contractor: Innisfil Hydro Distribution Systems Limited
 2073 Commerce Park Drive
 Innisfil, ON L9S 4A2

Fax: 705-431-5901

In the case of the Town, the Notice shall be directed to the attention of the Director of Finance. In the case of the Contractor, the Notices shall be addressed to the Vice-President of Corporate Services.

Confidentiality

88. The Contractor and the Town shall not at any time before, during or after the completion of the services, divulge any confidential information, or copies, notes and records reflecting such information, communicated to or acquired by the Contractor or the Town in the course of carrying out the services provided that such information is

Customer related or identified as confidential at the time of disclosure, except as required by relevant legislation or a court of competent jurisdiction. No such information shall be used by the Contractor or the Town before, during or after the completion of the services on any other project without the prior written consent of the other party or Customer, as applicable. The Contractor acknowledges that the *Municipal Freedom of Information and Protection of Privacy Act* applies to records in the control of the Town, pursuant to that Act.

Tax Changes

89. Where a change in Canadian Federal or Provincial taxes occurs after the Contract execution date, the Town will increase or decrease its payments owing to the Contractor to account for the exact amount of tax change involved.
90. Claims for compensation for additional tax cost shall be submitted by the Contractor to the Town within sixty (60) days of the introduction of the change.
91. The *Retail Sales Act*, R.S.O. 1990, c. R.31, as amended, shall apply to this Agreement.
92. Where goods and services are supplied under this Agreement by the Contractor, the unit prices in Schedule "A" involving goods and service shall not include the Harmonized Sales Tax (HST), which will be billed in addition to the charges listed, where applicable. The Contractor shall provide the Town with its HST Registration Number.

Further Assistance

93. The Contractor and the Town agree that each of them shall and will, upon reasonable request of the other, make, do, execute, or cause to be made, done or executed, all such further and other lawful acts, deeds, things, devices and assurances whatsoever necessary to give effect to this Agreement.

Severability

94. In the event that any of the terms, conditions or provisions contained in this Agreement shall be determined invalid, unlawful or unenforceable to any extent, such terms, conditions, or provisions shall be severed from the remaining terms, conditions and provisions, which shall continue to be valid to the fullest extent permitted by law.

Waiver

95. The failure by either party to insist in one or more instances upon the performance by the other party of any term or terms of this Agreement shall not be construed as a waiver of future performance of any such term or terms and the obligation of the other party with respect to such a future performance shall continue in full force and effect.

Governing Law and Interpretation

96. The Agreement and the services shall be governed by the laws of the Province of Ontario, including regulations and codes issued by the Ontario Energy Board.

97. Words used in the Agreement importing the singular number or the one gender only, include more persons, parties or things of the same kind than one, and females as well as males and the converse.
98. This Agreement constitutes the entire agreement between the parties and can only be changed by mutual agreement in writing signed by the parties.
99. The Contractor shall not subcontract or assign its obligation or rights under this Agreement without the written consent of the Town, which will not be unreasonably withheld.
100. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.

IN WITNESS WHEREOF the Corporate parties have hereunto caused their Corporate Seals to be affixed and attested by their proper officers and the individual parties have hereunto set their hands and seals, at the times and places indicated:

SIGNED AND SEALED)

This 6 day of)

February)

2012, at Innisfil)

Province of Ontario)

THE TOWN OF INNISFIL

Per: 

Barbara Baguley, Mayor

Per: 

Jason Reynal, Clerk

SIGNED AND SEALED)

This 23 day of)

FEBRUARY)

2012, at Innisfil)

Province of Ontario)

INNISFIL HYDRO DISTRIBUTION SYSTEMS LIMITED

Per: 

John Skorobohacz, Chairman

Per: 

George Shaparew, President

SCHEDULE "A"

Innisfil Hydro Distribution Systems Limited Water Billing Contract – Pricing Schedule

	Year 1	Year 2	Year 3	Year 4	Year 5
Monthly (Water and Water with Wastewater)	\$ 1.90	\$ 1.90	\$ 1.90	\$2.00	\$2.00
Wastewater Only	\$1.50	\$1.50	\$1.50	\$1.60	\$1.60
Account Set-Up	\$5.00	\$5.00	\$5.00	\$5.50	\$5.50

Notes:

- Prices quoted are on a per bill basis.
- Prices do not include tax (i.e. applicable taxes are extra).

1 APPENDIX J: OEB NOTIFICATION OF MAJOR EVENT

April 25, 2016

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli

Re: InnPower Corporation
Licence #ED-2002-0520
Notification of Major Outage Event March 24, 2016 – March 28, 2016

In accordance with the Chapter 3 Incentive Regulation Filing Requirements for Electricity Distribution Rate Applications issued July 25, 2014, and Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors issued on July 14, 2008, InnPower Corporation (IPC) provides notification to the Board of an extraordinary event which occurred in the March 24, 2016 to March 28, 2016 timeframe.

Over the Easter long weekend, IPC experienced a major ice storm that caused the worst outage recorded since the inception of Innisfil Hydro (now InnPower Corporation) in 1983. The outages started at approximately 8:30 p.m. on Thursday, March 24th and, in the ensuing hours, caused the loss of multiple sub-transmission feeders and much damage to our distribution system.

The extensive ice buildup on trees, poles and wires caused damage to our infrastructure which required the replacement of poles, switches and primary and secondary wires. These challenges were further augmented when Hydro One lost vital sub-transmission feeds at a critical time on Friday afternoon, which resulted in all of our customers, for the first time since the great blackout of 2003, losing power!

During the storm we sustained numerous expenses for repair and restoration; however, assets that required replacement were capitalized where possible.

Prompt efforts of our staff and contractors greatly helped with getting power restored to our customers in a timely manner. Immediately following the first outage, the Control Room was opened and with support from both our staff and contractors we commenced our patrolling, planning, and restoration work. An outage of this magnitude required a large amount of resources, and many InnPower employees and Contractors stepped up to the plate to help, working around-the-clock to process outages and repair damages. By the end of Saturday a majority of our primary infrastructure was repaired and through Sunday and Monday all damage outages that were logged in our system were cleared, including work in areas with restricted access due to heavy tree canopy.

IPC has provided an initial estimation of costs for the ice storm and intends to record the costs in Account 1572 "Extraordinary Event Costs".

Cost of Restoration:

Description	Hours	Cost
InnPower staff	1,109	\$ 154,510.00
- Vehicles		\$ 8,161.00
Lines Contractor (Riggs)	1,205	\$ 216,900.00
- Vehicles		\$ 36,045.00
Forestry Contractor	122	\$ 19,190.00
Hydro Vacuum Contractor	10	\$ 3,500.00
Recognition to Staff & Contractors: Belated Easter Lunch		\$ 1,585.00
Recognition to Staff & Contractors: "I Survived the Ice Storm – Innisfil 2016" T Shirts		\$ 1,250.00
Incidental continuing work		\$ 15,000.00
TOTAL (Estimate)		\$ 456,141.00
- Capital Cost (approximate)		\$ 80,000.00
- O&M Cost (approximate)		\$ 376,141.00

IPC has reviewed the Z-Factor Amount Eligibility Criteria and provides the following information;

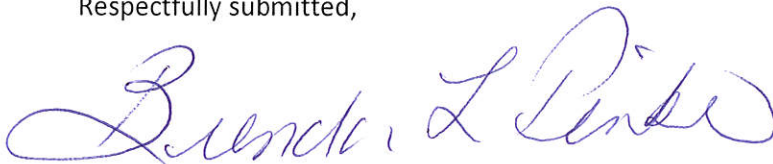
Causation: all estimated costs are directly associated with the outage event from March 24, 2016 – March 28, 2016 and are not included in 2016 rates.

Materiality: IPC's distribution revenue requirement for 2016 is \$7,590,696 (EB-2012-0139 Rebasing Application). As the revenue requirement is less than \$10 million the materiality threshold is \$50 K. Estimated costs are greater than the \$50 K threshold.

Prudence: Restoration of service for our customers and safety for our employees was our number one priority, thus the recorded costs are prudent in InnPower's view.

If you have any questions, please do not hesitate to contact me.

Respectfully submitted,



Brenda L. Pinke,
Regulatory & Conservation Manager
(705)431-6870 Ext 262
brendap@innpower.com

BLP/lmc

c: Robert Lake, President and CEO
Laurie Ann Cooledge, CFO and Treasurer.