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## Overview of Cost Trends

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

Operating, Maintenance and Administrative (“OM&A”) expenses included in the calculation of the Rideau St. Lawrence Distribution Inc. (“RSL”) revenue requirement are those determined to be reasonable in amount and necessary for and related to the provision of utility service or in some way to benefit customers.

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

RSL’s existing rates are based on the Board-approved rates set in 2017 following a cost of service rate application (EB-2015-0100), and adjustments to its base distribution rates in 2018 - 2021 under the Board’s third Generation Incentive Regulation Mechanism (“IRM”).

As shown in Table 4.1, RSL’s increase in OM&A spending from its 2016 Cost of Service to the 2022 Test Year amounts to \$396,088 or 18.93% over the last 5 years. It should be noted that the OM&A originally requested during the 2016 Cost of Service Application was \$2,182,787. The 5-year variance with the original request is 14.02%.

Based on an average cost of living (inflation) rate of 2.49%, \$358,700 of the variance can be attributed to inflation. The other major factors impacting on OM&A are Wages and Benefits due to the past and upcoming retirement and replacement of RSL managers.

Cost of living is based on an inflation rate of 2.49% as published by the Bank of Canada, a well-known, reliable and widely used source in establishing inflation rates.

RSL is proposing an OM&A amount of \$2,488,912 for the 2022 Test Year, which represents an increase of 18.93% over the amount approved in the 2016 application.

**Table 4.1: 2016 Board Approved vs. 2022 Test Year**

	2016	2022	Variance From
	Board Approved	Test	Board Approved
Operations	254,368	362,465	108,097
Maintenance	433,201	450,600	17,399
Billing and Collecting	506,836	551,220	44,384
Community Relations	30,592	32,500	1,908
Administrative and General (includes LEAP)	867,827	1,092,127	224,300
Total OM&A Expenses	2,092,824	2,488,912	396,088
Percent Change (year over year)		18.93%	

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

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

	2016 Last Rebasing Year OEB Approved	2016 Last Rebasing Year Actuals	2017 Actuals	2018 Actuals	2019 Actuals	2020 Actuals	2021 Bridge Year	2022 Test Year
<b>Reporting Basis</b>								
Operations	\$ 254,368	\$ 247,781	\$ 340,099	\$ 354,881	\$ 335,193	\$ 351,313	\$ 330,203	\$ 362,465
Maintenance	\$ 433,201	\$ 429,760	\$ 474,059	\$ 398,021	\$ 470,618	\$ 390,659	\$ 381,905	\$ 450,600
<b>SubTotal</b>	<b>\$ 687,569</b>	<b>\$ 677,541</b>	<b>\$ 814,159</b>	<b>\$ 752,902</b>	<b>\$ 805,811</b>	<b>\$ 741,973</b>	<b>\$ 712,108</b>	<b>\$ 813,065</b>
%Change (year over year)		-1.5%	20.2%	-7.5%	7.0%	-7.9%	-4.0%	14.2%
%Change (Test Year vs Last Rebasing Year - Actual)								20.0%
Billing and Collecting	\$ 506,836	\$ 526,212	\$ 526,242	\$ 548,505	\$ 535,954	\$ 541,821	\$ 570,717	\$ 551,220
Community Relations	\$ 30,592	\$ 20,924	\$ 13,441	\$ 25,277	\$ 29,410	\$ 29,166	\$ 32,500	\$ 32,500
Administrative and General	\$ 867,827	\$ 886,178	\$ 898,621	\$ 877,772	\$ 874,630	\$ 936,208	\$ 986,291	\$ 1,092,127
<b>SubTotal</b>	<b>\$ 1,405,255</b>	<b>\$ 1,433,314</b>	<b>\$ 1,438,304</b>	<b>\$ 1,451,553</b>	<b>\$ 1,439,994</b>	<b>\$ 1,507,195</b>	<b>\$ 1,589,508</b>	<b>\$ 1,675,847</b>
%Change (year over year)		2.0%	0.3%	0.9%	-0.8%	4.7%	5.5%	5.4%
%Change (Test Year vs Last Rebasing Year - Actual)								16.9%
<b>Total</b>	<b>\$ 2,092,824</b>	<b>\$ 2,110,856</b>	<b>\$ 2,252,463</b>	<b>\$ 2,204,456</b>	<b>\$ 2,245,805</b>	<b>\$ 2,249,168</b>	<b>\$ 2,301,616</b>	<b>\$ 2,488,912</b>
%Change (year over year)		0.9%	6.7%	-2.1%	1.9%	0.1%	2.3%	8.1%

## Summary and Cost Driver Tables

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

In accordance with the OEB's minimum filing requirements, Table 4.3 OEB Appendix 2-JB, below, outlines the key drivers of OM&A costs over the 2016 to 2022 period.

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

RSL strives to provide safe, reliable service while minimizing the life cycle costs of assets by doing predictive and preventative work. Maintenance work also helps to identify those areas that require capital investments. RSL is then able to adjust its capital spending priorities to address these matters. This process is described in more detail in RSL's Distribution System Plan, found at Ex.2/Appendix 2-1.

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

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

OM&A	Last Rebasings Year (2016 Actuals)	2017 Actuals	2018 Actuals	2019 Actuals	2020 Actuals	2021 Bridge Year	2022 Test Year
<i>Reporting Basis</i>	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	
<b>Opening Balance<sup>2</sup></b>	\$ 2,092,824	\$ 2,110,856	\$ 2,252,463	\$ 2,204,456	\$ 2,245,805	\$ 2,249,168	\$ 2,301,617
Staffing (payroll and benefits)	\$ 13,225	\$ 64,283	\$ 104,801	\$ 62,983	\$ 23,913	\$ 20,690	\$ 110,039
Third Party Service Providers	\$ 1,495	\$ 5,887	\$ 78,376	\$ 38,992	\$ 6,355	\$ 46,680	\$ 4,944
Regulatory	\$ 639	\$ 35	\$ 13,600	\$ 960	\$ 149	\$ 16,012	\$ 20,201
Bad Debts	\$ 2,157	\$ 4,397	\$ 5,750	\$ 17,987	\$ 27,891	\$ 1,662	\$ -
Smart Meter Communications/MDMR	\$ 2,741	\$ 847	\$ 1,549	\$ 5,862	\$ 2,003	\$ 3,723	\$ -
Vegetation Management	\$ 114	\$ 14,674	\$ 7,013	\$ 16,354	\$ 8,200	\$ 1,300	\$ -
Training	\$ 78	\$ 4,664	\$ 406	\$ 3,791	\$ 15,395	\$ 4,973	\$ 23,400
PCB Transformer Removal	\$ -	\$ 449	\$ 9,551	\$ 10,000	\$ -	\$ -	\$ 10,000
Travel/Meetings	\$ 137	\$ 3,308	\$ 773	\$ 1,005	\$ 16,450	\$ 900	\$ 19,785
Joint Use of Poles	\$ 911	\$ 5,512	\$ -	\$ 33,665	\$ 7,850	\$ 421	\$ -
Use of Utilities Company assets	\$ 1,249	\$ 7,182	\$ 1,676	\$ 1,856	\$ 1,756	\$ 536	\$ -
Insurance	\$ 871	\$ 1,643	\$ 5,352	\$ 1,486	\$ 1,704	\$ 293	\$ 779
Other	\$ 3,379	\$ 66,194	\$ 26,124	\$ 12,440	\$ 21,395	\$ 9,845	\$ 18,147
<b>Closing Balance<sup>2</sup></b>	\$ 2,110,856	\$ 2,252,463	\$ 2,204,456	\$ 2,245,805	\$ 2,249,168	\$ 2,301,617	\$ 2,488,912

### Cost Drivers over the Material Variance

Labour costs have increased by \$190,332, or 15% from the amount included in the 2016 Cost of Service application. The increase is largely due to negotiated pay rate changes included in the union contract. In addition, employees in the line crew, billing, and administrative groups have had pay increases due to their advancement in classification levels. Labour costs are also higher because of the retirement of one manager and the upcoming retirement of a second manager. It is expected that the labour costs will be higher for the new managers.

The Full Time Equivalent Employee count ("FTEE") is 15, the same as in the last rate application.

Outside services has increased by \$104,744, or 29% since RSL's last rate application. Inflation accounts for approximately \$62,000 of the increase. Postage costs have been increased by an additional \$20,000 in 2022 to reflect the impact of mailing overdue notices to customers. Previously, the only notices sent were hand-delivered final collection notices.

With upcoming management retirements, RSL has incurred and will continue to incur recruitment costs. Outside services contains \$25,000 for this cost.

In accordance with the OEB's minimum filing requirements, OEB Table 4.4 Appendix 2-JC below outlines the key OM&A program costs over the 2016 to 2022 period. RSL does not use programs in any way other than to include in the rate application.

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

	Last Rebasings Year (2016 OEB- Approved)	Last Rebasings Year (2016 Actuals)	2017 Actuals	2018 Actuals	2019 Actuals	2020 Actuals	2021 Bridge Year	2022 Test Year	Variance (Test Year vs. 2020 Actuals)	Variance (Test Year vs. Last Rebasings Year (2016 OEB-)
<b>Programs</b>										
<b>Reporting Basis</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>		
<b>Customer Focus</b>										
									0	0
Billing and Customer Service	338,547	341,640	347,826	378,183	392,555	370,623	398,208	388,593	17,970	50,046
Bad Debts	56,425	58,582	54,185	48,434	30,447	58,338	60,000	60,000	1,662	3,575
Community Relations and LEAP	35,709	24,424	16,941	28,777	32,910	34,416	37,900	37,900	3,484	2,191
Collecting	53,753	55,808	49,530	53,420	48,668	49,179	50,617	53,797	4,617	43
									0	0
<b>Sub-Total</b>	<b>484,434</b>	<b>480,453</b>	<b>468,482</b>	<b>508,815</b>	<b>504,580</b>	<b>512,556</b>	<b>546,724</b>	<b>540,289</b>	<b>27,733</b>	<b>55,856</b>
<b>Operational Effectiveness</b>										
									0	0
Overhead Maintenance	447,278	424,098	464,698	380,556	477,268	421,186	387,350	451,885	30,699	4,607
Underground Maintenance	17,983	39,079	52,763	53,685	60,922	60,208	62,245	71,855	11,647	53,872
Engineering and Supervision	72,286	80,447	129,819	147,860	126,702	119,171	121,534	123,565	4,394	51,279
Education, Health & Safety	36,634	35,581	43,553	43,186	45,972	14,127	18,200	61,385	47,258	24,751
Substation Maintenance	47,907	48,345	50,959	50,225	49,947	50,641	47,150	49,990	-651	2,083
Fleet Costs	59,852	59,412	72,884	71,924	77,128	70,876	63,878	76,565	5,689	16,713
Building Maintenance	44,330	44,330	52,708	53,645	45,873	37,171	35,500	36,500	-671	-7,830
Vegetation Maintenance	14,307	14,193	28,867	21,854	5,500	13,700	15,000	15,000	1,300	693
Administrative and Financial	678,135	692,613	683,749	652,477	650,194	725,738	794,404	848,327	122,589	170,192
Meter Maintenance and Reading	75,102	75,789	84,539	92,521	68,714	78,644	78,838	72,150	-6,494	-2,952
									0	0
<b>Sub-Total</b>	<b>1,493,815</b>	<b>1,513,886</b>	<b>1,664,539</b>	<b>1,567,933</b>	<b>1,608,220</b>	<b>1,591,463</b>	<b>1,624,099</b>	<b>1,807,222</b>	<b>215,760</b>	<b>313,407</b>
<b>Public and Regulatory Responsiveness</b>										
									0	0
Governance	45,671	46,088	51,379	52,147	56,918	67,210	68,573	58,200	-9,010	12,529
Regulatory Compliance	28,548	29,187	29,222	42,823	41,863	42,011	25,999	46,200	4,189	17,652
Legal	1,495	1,508	750	0	0	0	0	0	0	-1,495
Liability and Property Insurance	38,863	39,733	38,091	32,738	34,224	35,928	36,221	37,000	1,072	-1,863
									0	0
<b>Sub-Total</b>	<b>114,576</b>	<b>116,517</b>	<b>119,442</b>	<b>127,707</b>	<b>133,004</b>	<b>145,149</b>	<b>130,793</b>	<b>141,400</b>	<b>-3,749</b>	<b>26,824</b>
<b>Miscellaneous</b>									0	0
<b>Total</b>	<b>2,092,824</b>	<b>2,110,856</b>	<b>2,252,463</b>	<b>2,204,456</b>	<b>2,245,805</b>	<b>2,249,168</b>	<b>2,301,617</b>	<b>2,488,912</b>	<b>239,744</b>	<b>396,088</b>

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

Table 4.5 below shows the year over year variance of OM&A expenses from 2016 Board Approved to 2022. A variance analysis of expenses follows the table. The materiality threshold for RSL is \$50,000.

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

	2016 Last Rebasing Year OEB Approved	2016 Last Rebasing Year Actuals	2017 Actuals	2018 Actuals	2019 Actuals	2020 Actuals	2021 Bridge Year	2022 Test Year
<b>Reporting Basis</b>								
Operations	\$ 254,368	\$ 247,781	\$ 340,099	\$ 354,881	\$ 335,193	\$ 351,313	\$ 330,203	\$ 362,465
Maintenance	\$ 433,201	\$ 429,760	\$ 474,059	\$ 398,021	\$ 470,618	\$ 390,659	\$ 381,905	\$ 450,600
<b>SubTotal</b>	<b>\$ 687,569</b>	<b>\$ 677,541</b>	<b>\$ 814,159</b>	<b>\$ 752,902</b>	<b>\$ 805,811</b>	<b>\$ 741,973</b>	<b>\$ 712,108</b>	<b>\$ 813,065</b>
%Change (year over year)		-1.5%	20.2%	-7.5%	7.0%	-7.9%	-4.0%	14.2%
%Change (Test Year vs Last Rebasing Year - Actual)								20.0%
Billing and Collecting	\$ 506,836	\$ 526,212	\$ 526,242	\$ 548,505	\$ 535,954	\$ 541,821	\$ 570,717	\$ 551,220
Community Relations	\$ 30,592	\$ 20,924	\$ 13,441	\$ 25,277	\$ 29,410	\$ 29,166	\$ 32,500	\$ 32,500
Administrative and General	\$ 867,827	\$ 886,178	\$ 898,621	\$ 877,772	\$ 874,630	\$ 936,208	\$ 986,291	\$ 1,092,127
<b>SubTotal</b>	<b>\$ 1,405,255</b>	<b>\$ 1,433,314</b>	<b>\$ 1,438,304</b>	<b>\$ 1,451,553</b>	<b>\$ 1,439,994</b>	<b>\$ 1,507,195</b>	<b>\$ 1,589,508</b>	<b>\$ 1,675,847</b>
%Change (year over year)		2.0%	0.3%	0.9%	-0.8%	4.7%	5.5%	5.4%
%Change (Test Year vs Last Rebasing Year - Actual)								16.9%
<b>Total</b>	<b>\$ 2,092,824</b>	<b>\$ 2,110,856</b>	<b>\$ 2,252,463</b>	<b>\$ 2,204,456</b>	<b>\$ 2,245,805</b>	<b>\$ 2,249,168</b>	<b>\$ 2,301,616</b>	<b>\$ 2,488,912</b>
%Change (year over year)		0.9%	6.7%	-2.1%	1.9%	0.1%	2.3%	8.1%

### 2016 Board Approved vs. 2016 Actual

2016 Actual OM&A is very close to the Board Approved envelope for OM&A, as shown in Table 4.6. It is important to understand that in the 2016 Cost of Service application, the Board approved amount was set in 2017, and was less than the actual amount spent in 2016. The actual amount is less than the OM&A originally requested in the application.

**Table 4.6: 2016 Board Approved vs. 2016 Actual**

	2016 Board Approved	2016 Actual	Variance From Board Approved
Operations	254,368	247,781	(6,587)
Maintenance	433,201	429,760	(3,441)
Billing and Collecting	506,836	526,212	19,376
Community Relations	30,592	20,924	(9,668)
Administrative and General (includes LEAP)	867,827	886,178	18,351
Total OM&A Expenses	2,092,824	2,110,855	18,031
Percent Change (year over year)		0.86%	

2016 Actual vs. 2017 Actual

2017 OM&A, as shown in Table 4.7, has an overall increase of 6.71% over 2016. The increases were in Operations and in Maintenance. An apprentice was hired full time during 2016, and 2017 reflects a full year of the additional cost. In Operations, 2016 actual was lower than usual, due to an extended absence from work by the Operations Manager.

**Table 4.7: 2016 Actual vs. 2017 Actual**

	2016 Actual	2017 Actual	Variance From 2016 Actual
Operations	247,781	340,099	92,318
Maintenance	429,760	474,059	44,299
Billing and Collecting	526,212	526,242	30
Community Relations	20,924	13,441	(7,483)
Administrative and General (includes LEAP)	886,178	898,621	12,443
Total OM&A Expenses	2,110,855	2,252,462	141,607
Percent Change (year over year)		6.71%	

2017 Actual vs. 2018 Actual

2018 OM&A decreased by \$48,006, or 2.13% under 2017, as shown in Table 4.8.

The biggest decrease was in Maintenance. This is primarily due to having additional line crew labour charged to capital jobs. Billing and Collecting expenses increased due to the replacement of a meter reader. Administrative expenses were lower due to an extended sick leave for our Accounts Payable Clerk.

**Table 4.8: 2017 Actual vs. 2018 Actual**

	2017 Actual	2018 Actual	Variance From 2017 Actual
Operations	340,099	354,881	14,782
Maintenance	474,059	398,021	(76,038)
Billing and Collecting	526,242	548,505	22,263
Community Relations	13,441	25,277	11,836
Administrative and General (includes LEAP)	898,621	877,772	(20,849)
Total OM&A Expenses	2,252,462	2,204,456	(48,006)
Percent Change (year over year)		-2.13%	

#### 2018 Actual vs. 2019 Actual

2019 OM&A increased by \$41,349, or 1.88% over 2018. The increase was primarily for Maintenance. The cause of the increase was the hiring of a former apprentice to a full-time line crew position. This happened in late 2018. The full impact of adding the additional employee is seen in 2019. This hiring brought our line crew to its full complement. Table 4.9 displays the details.

**Table 4.9: 2018 Actual vs. 2019 Actual**

	2018 Actual	2019 Actual	Variance From 2018 Actual
Operations	354,881	335,193	(19,688)
Maintenance	398,021	470,618	72,597
Billing and Collecting	548,505	535,954	(12,551)
Community Relations	25,277	29,410	4,133
Administrative and General (includes LEAP)	877,772	874,630	(3,142)
Total OM&A Expenses	2,204,456	2,245,805	41,349
Percent Change (year over year)		1.88%	

#### 2019 Actual vs. 2020 Actual

As shown in Table 4.10, 2020 OM&A was virtually unchanged from 2019, but there were offsetting variances.

Maintenance was lower because of a decrease in labour and burden of \$55,000. The reason behind the reduction is an increase in amounts charged to capital, specifically the Bell Fibre To Home projects.

Administrative expenses were higher, primarily because of labour. A vacancy was filled in this department that had half of the employee's costs charged there in the prior year. The offset was in Billing, a vacancy filled in 2020.

In addition, vacation time taken in 2020 was greatly reduced due to the pandemic. More time was charged against administrative expense than against the accrued vacation time.

**Table 4.10: 2019 Actual vs. 2020 Actual**

	2019	2020	Variance From
	Actual	Actual	2019 Actual
Operations	335,193	351,313	16,120
Maintenance	470,618	390,659	(79,959)
Billing and Collecting	535,954	541,821	5,867
Community Relations	29,410	29,166	(244)
Administrative and General (includes LEAP)	874,630	936,208	61,578
Total OM&A Expenses	2,245,805	2,249,167	3,362
Percent Change (year over year)		0.15%	

2020 Actual vs. 2021 Bridge

OM&A in 2021 is forecast to increase by \$52,449 or 2.33%. Most of the change can be attributed to inflation.

Billing and Collecting is higher due to the implementation of new Customer Service procedures. Previously, RSL hand-delivered one collection notice to customers in arrears. Now, we are also mailing friendly reminder notices to all customers with unpaid bills after the due date. This has increased our postage costs. In addition, during the pandemic RSL has used the services of EARTH to stuff and mail our bills. It was our expectation that incremental costs such as this would be recoverable through account 1509. Unfortunately this was not the case as our expenses did not meet the OEB's thresholds for recovery. Along with the costs in 2021 for this service, we also moved the 2020 costs from 1509 to Billing costs.

Administrative costs are forecast to be higher. RSL's CEO left suddenly in 2021, and later retired. RSL incurred costs for professional assistance in replacing the position. Due to the increased salary expectations for senior positions in our area, labour costs for the CEO will be higher than in the past.

Table 4.11 summarizes OM&A for 2021 and 2020.

**Table 4.11: 2020 Actual vs. 2021 Bridge**

	2020	2021	Variance From
	Actual	Bridge	2020 Actual
Operations	351,313	330,203	(21,110)
Maintenance	390,659	381,905	(8,754)
Billing and Collecting	541,821	570,717	28,896
Community Relations	29,166	32,500	3,334
Administrative and General (includes LEAP)	936,208	986,291	50,083
Total OM&A Expenses	2,249,167	2,301,616	52,449
Percent Change (year over year)		2.33%	

2021 Bridge vs. 2022 Test

For 2022, RSL proposes OM&A in the amount of \$2,488,912 as shown in Table 4.12, an increase of 8.14% over 2021 Bridge.

Half of the increase can be attributed to inflation, which is currently around 4%. There are other factors as discussed below.

Operations and Maintenance are forecast to be higher as the amount of labour charged to capital work is expected to be lower than in 2021. The reduction in capital labour becomes an increase to Operations and Maintenance.

Billing and Collecting is forecast to be lower, as the shared costs related to Meter Reading will be allocated 100% to RSL's Utilities company.

Administrative Costs will be higher for several reasons. Regulatory costs will be higher, as costs related to this application will be amortized over a five-year period. Costs related to RSL's 2016 rate application were fully amortized at the end of May 2021.

Outside services costs will be higher, as RSL will hire a recruitment company to find a replacement for its retiring CFO. There will also be consultant costs related to the negotiation of the next collective agreement with CUPE. The contract expires in March 2022.

Labour costs will be higher. RSL hired a new CEO in 2021 and will hire a new CFO in 2022. The replacements are both forecast to be at higher cost than the previous managers.

**Table 4.12: 2021 Bridge vs. 2022 Test**

	2021 Bridge	2022 Test	Variance From 2021 Bridge
Operations	330,203	362,465	32,262
Maintenance	381,905	450,600	68,695
Billing and Collecting	570,717	551,220	(19,497)
Community Relations	32,500	32,500	-
Administrative and General (includes LEAP)	986,291	1,092,127	105,836
Total OM&A Expenses	2,301,616	2,488,912	187,296
Percent Change (year over year)		8.14%	

Below Table 4.13 OEB Appendix 2-L Recoverable OM&A Cost per Customer and per FTE , outlines the cost per customer per full time employee. This information is provided for the 2016 to 2022 period, in accordance with the OEB's minimum filing requirements.

**Table 4.13: OEB Appendix 2-L – Recoverable OM&A Cost per Customer and per FTE**

	Last Rebasing Year 2016 - OEB Approved	Last Rebasing Year 2016 - Actual	2017 Actuals	2018 Actuals	2019 Actuals	2020 Actuals	2021 Bridge Year	2022 Test Year
<b>Reporting Basis</b>								
OM&A Costs								
O&M	\$ 687,569	\$ 677,541	\$ 814,159	\$ 752,902	\$ 805,811	\$ 741,973	\$ 712,108	\$ 813,065
Admin Expenses <sup>6</sup>	\$ 1,405,255	\$ 1,433,314	\$ 1,438,304	\$ 1,451,553	\$ 1,439,994	\$ 1,507,195	\$ 1,589,508	\$ 1,675,847
Total Recoverable OM&A from Appendix 2-JB <sup>5</sup>	\$ 2,092,824	\$ 2,110,856	\$ 2,252,463	\$ 2,204,456	\$ 2,245,805	\$ 2,249,168	\$ 2,301,616	\$ 2,488,912
Number of Customers <sup>2,4</sup>	7,717	7,717	7,732	7,749	7,752	7,741	7,748	7,770
Number of FTEs <sup>3,4</sup>	15	15	16	14	15	14	15	15
Customers/FTEs	514	514	483	554	517	553	517	518
OM&A cost per customer								
O&M per customer	\$89	\$88	\$105	\$97	\$104	\$96	\$92	\$105
Admin per customer	\$182	\$186	\$186	\$187	\$186	\$195	\$205	\$216
Total OM&A per customer	\$271	\$274	\$291	\$284	\$290	\$291	\$297	\$320
OM&A cost per FTE								
O&M per FTE	\$45,838	\$45,169	\$50,885	\$53,779	\$53,721	\$52,998	\$47,474	\$54,204
Admin per FTE	\$93,684	\$95,554	\$89,894	\$103,682	\$96,000	\$107,657	\$105,967	\$111,723
Total OM&A per FTE	\$139,522	\$140,724	\$140,779	\$157,461	\$149,720	\$160,655	\$153,441	\$165,927

As shown in Table 4.13 above, the OM&A costs per customer in the Test Year has increased since the 2016 Board Approved costs. Although the number of RSL customers has and is expected to grow very slowly, investments in its infrastructure (repairs and maintenance) are still required.

According to the OEB's published "total cost per customer", from the consolidated Scorecards, RSL at \$572 in 2020 was below the provincial average of \$680 per customer.

Appendix 2-D, shown in Table 4.14, provides details of amounts that have been capitalized for overhead. RSL capitalizes Labour Benefits and Vehicle costs. The capitalization policy has not changed since the last Cost of Service application in 2016.

**Table 4.14: OEB Appendix 2-D – Overhead Expense**

OM&A Before Capitalization	2018 Historical Year	2019 Historical Year	2020 Historical Year	2021 Bridge Year	2022 Test Year
Operations	\$ 243,874	\$ 241,283	\$ 245,765	\$ 234,903	\$ 255,600
Maintenance	\$ 267,692	\$ 310,482	\$ 263,792	\$ 259,900	\$ 300,100
Billing and Collecting	\$ 463,856	\$ 448,966	\$ 464,935	\$ 491,414	\$ 478,915
Community Relations	\$ 25,277	\$ 29,410	\$ 29,166	\$ 32,500	\$ 32,500
Administrative and General	\$ 716,911	\$ 720,094	\$ 760,766	\$ 795,955	\$ 886,042
Fleet	\$ 79,031	\$ 84,764	\$ 93,849	\$ 111,265	\$ 113,965
Human Resources (burden)	\$ 497,315	\$ 503,641	\$ 512,038	\$ 541,679	\$ 581,790
<b>Total OM&amp;A Before Capitalization (B)</b>	<b>\$ 2,293,956</b>	<b>\$ 2,338,640</b>	<b>\$ 2,370,311</b>	<b>\$ 2,467,616</b>	<b>\$ 2,648,912</b>

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

Capitalized OM&A	2018 Historical Year	2019 Historical Year	2020 Historical Year	2021 Bridge Year	2022 Test Year
Payroll Benefits	\$ 64,648	\$ 66,428	\$ 81,445	\$ 103,000	\$ 100,000
Fleet	\$ 24,852	\$ 26,407	\$ 39,699	\$ 63,000	\$ 60,000
Insert description of additional item(s) and new rows if needed					
<b>Total Capitalized OM&amp;A (A)</b>	<b>\$ 89,500</b>	<b>\$ 92,835</b>	<b>\$ 121,144</b>	<b>\$ 166,000</b>	<b>\$ 160,000</b>
<b>% of Capitalized OM&amp;A (=A/B)</b>	<b>4%</b>	<b>4%</b>	<b>5%</b>	<b>7%</b>	<b>6%</b>

In the 2022 Test Year, total OM&A has increased by \$396,088 over the 2016 Board-approved amount. Board-approved capitalized overhead in 2016 was \$45,872. The increase in 2022 is not due to significant changes to employee benefits. The latest contract with our CUPE union came into effect in 2018 and provided modest changes to some health benefits. However, the cost of providing the health benefits grew significantly in 2017, due to price increases from our

provider (MEARIE). The costs vary year by year, depending on a number of factors – the number of employees, single vs. family coverage and the age of the employees.

The increase in fleet charges to Capital is due to cost increases (such as the price of gas) and more truck usage charged against capital projects. Two of our three large vehicles are over ten years old, which leads to higher operating costs.

## Program Delivery Costs with Variance Analysis

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

RSL does not use Programs, as they would provide an unneeded level of detail that are not required for a small LDC. For the purpose of this and consistent with our previous Cost of Service application, RSL reported amounts organized into 'virtual programs'. The categorization of USoA account/functions has been based on the RRFE categories, Customer Focus, Operational Effectiveness, and Public and Regulatory Responsiveness.

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

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

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

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

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

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

### Customer Focus

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

### Operational Effectiveness

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

### Public and Regulatory Responsiveness

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

## **CUSTOMER FOCUS**

### Billing and Customer Service

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

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

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

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

The Billing group is responsible for all billing activities supporting approximately 6,000 customers in RSL's four service areas. This includes the provision of bi-monthly and monthly

billing that results in RSL issuing over 72,000 invoices annually in addition to approximately 1,000 final bills for customers moving within or outside of RSL's service territory annually. The Billing Department is responsible for managing Electronic Business Transactions ("EBT") and retailer settlement functions for 117 retailer accounts; account adjustments; processing of meter changes (e.g. re-verification); and other various account related field service orders, and mailing services. In 2020 RSL produced approximately 73,000 bills with a billing accuracy rate of 99.64%.

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

#### Bad Debts

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

#### Community Relations and LEAP

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

The coordination of both internal and external communications strategies is central to supporting the company's plans, as well as key community, safety, customer and employee initiatives. More particularly, external strategies and plans help to support media relations, website development, the development of various collateral materials, and the integration of social media into the communications platform. All of these activities focus on enhancing public understanding of their local distributor and Ontario's power system, as well as educating consumers on electrical safety, managing their electricity bill, creating a culture of conservation, CDM program delivery (historically), and activities that directly support community initiatives.

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

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

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

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

The LEAP program provides emergency assistance to customers who are struggling with their electricity bills. RSL is proud to partner with the United Way in Cornwall, to provide this service to RSL's customers. RSL worked for many years with the Employment and Education Centre in Brockville for LEAP applicants in the western end of our territory. This agency is no longer offering this service, so all applicants deal with the United Way in Cornwall.

### Collecting

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

RSL utilizes an extensive early collections process to minimize the number of accounts that near the disconnection stage. Active accounts are collected through phone calls, follow up calls,

and hand delivered letters. Overdue final accounts are assigned to a Collection Agency 60 days after the due date. In the recent past RSL has experienced an increase in its bad debt expense that is attributed to an overall decline in the economy, combined with increased electricity rates.

## **OPERATIONAL EFFECTIVENESS**

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

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

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

### **Overhead and Underground Maintenance**

Maintenance work performed outside of the capital budget accounts is captured through the operating and maintenance accounts. This work can be either planned or unplanned, and can

involve capital work under the general service capital budgets. Maintenance and operating budgets are typically prepared based on historical values. The field inspection program identifies a number of immediate concerns and concerns requiring immediate analysis. Most of the concerns are slated under planned work and categorized as priority scheduled work or normal scheduled work.

### Engineering and Supervision

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

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

### Education, Health & Safety

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

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

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

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

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

#### Substation Maintenance

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

#### Fleet Costs

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

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

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

- POSI Digger Truck (1)
- Trailers (4)

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

#### Building Maintenance

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

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

#### Vegetation Management (Tree Trimming)

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

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

#### Administrative and Financial

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

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

#### Meter Maintenance and Reading

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

With the implementation of smart meters, traditional meter reading costs have changed. RSL's readings are obtained electronically. Meter reading costs include:

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

### **PUBLIC AND REGULATORY RESPONSIVENESS**

#### Governance

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

- Directors' Fees
- Meeting Attendance Fees
- Travel Costs

#### Regulatory Compliance

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

RSL does not charge any labour costs to Regulatory expense.

#### Legal

It is not normal for RSL to be involved in litigation of any sort. Over the last 5 years there have been no legal cases involving RSL.

#### Liability and Property Insurance

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

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

Table 4.15, Appendix 2-JC below shows the year over year variances of OM&A programs from 2016 Board Approved to 2022 Test. A variance analysis of expenses exceeding the materiality threshold follows the table. The utility carefully selected these programs based on a review of OM&A Programs that were introduced in recent Cost of Service applications. The utility expects that these OM&A Programs will evolve and change over time. Increases above the materiality threshold are explained following the table.

**Table 4.15: OM&A Programs Variances**

Programs	Last Rebas Year (2016 OEB- Approved)	Last Rebas Year (2016 Actuals)	2017 Actuals	2018 Actuals	2019 Actuals	2020 Actuals	2021 Bridge Year	2022 Test Year	Variance (Test Year vs. 2020 Actuals)	Variance (Test Year vs. Last Rebas Year (2016 OEB- Approved)
<b>Reporting Basis</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>	<b>MIFRS</b>		
<b>Customer Focus</b>										
Billing and Customer Service	338,547	341,640	347,826	378,183	392,555	370,623	398,208	388,593	17,970	50,046
Bad Debts	56,425	58,582	54,185	48,434	30,447	58,338	60,000	60,000	1,662	3,575
Community Relations and LEAP	35,709	24,424	16,941	28,777	32,910	34,416	37,900	37,900	3,484	2,191
Collecting	53,753	55,808	49,530	53,420	48,668	49,179	50,617	53,797	4,617	43
<b>Sub-Total</b>	<b>484,434</b>	<b>480,453</b>	<b>468,482</b>	<b>508,815</b>	<b>504,580</b>	<b>512,556</b>	<b>546,724</b>	<b>540,289</b>	<b>27,733</b>	<b>55,856</b>
<b>Operational Effectiveness</b>										
Overhead Maintenance	447,278	424,098	464,698	380,556	477,268	421,186	387,350	451,885	30,699	4,607
Underground Maintenance	17,983	39,079	52,763	53,685	60,922	60,208	62,245	71,855	11,647	53,872
Engineering and Supervision	72,286	80,447	129,819	147,860	126,702	119,171	121,534	123,565	4,394	51,279
Education, Health & Safety	36,634	35,581	43,553	43,186	45,972	14,127	18,200	61,385	47,258	24,751
Substation Maintenance	47,907	48,345	50,959	50,225	49,947	50,641	47,150	49,990	-651	2,083
Fleet Costs	59,852	59,412	72,884	71,924	77,128	70,876	63,878	76,565	5,689	16,713
Building Maintenance	44,330	44,330	52,708	53,645	45,873	37,171	35,500	36,500	-671	-7,830
Vegetation Maintenance	14,307	14,193	28,867	21,854	5,500	13,700	15,000	15,000	1,300	693
Administrative and Financial	678,135	692,613	683,749	652,477	650,194	725,738	794,404	848,327	122,589	170,192
Meter Maintenance and Reading	75,102	75,789	84,539	92,521	68,714	78,644	78,838	72,150	-6,688	-2,952
<b>Sub-Total</b>	<b>1,493,815</b>	<b>1,513,886</b>	<b>1,664,539</b>	<b>1,567,933</b>	<b>1,608,220</b>	<b>1,591,463</b>	<b>1,624,099</b>	<b>1,807,222</b>	<b>215,760</b>	<b>313,407</b>
<b>Public and Regulatory Responsiveness</b>										
Governance	45,671	46,088	51,379	52,147	56,918	67,210	68,573	58,200	-9,010	12,529
Regulatory Compliance	28,548	29,187	29,222	42,823	41,863	42,011	25,999	46,200	4,189	17,652
Legal	1,495	1,508	750	0	0	0	0	0	0	-1,495
Liability and Property Insurance	38,863	39,733	38,091	32,738	34,224	35,928	36,221	37,000	1,072	-1,863
<b>Sub-Total</b>	<b>114,576</b>	<b>116,517</b>	<b>119,442</b>	<b>127,707</b>	<b>133,004</b>	<b>145,149</b>	<b>130,793</b>	<b>141,400</b>	<b>-3,749</b>	<b>26,824</b>
<b>Miscellaneous</b>										
<b>Total</b>	<b>2,092,824</b>	<b>2,110,856</b>	<b>2,252,463</b>	<b>2,204,456</b>	<b>2,245,805</b>	<b>2,249,168</b>	<b>2,301,617</b>	<b>2,488,912</b>	<b>239,744</b>	<b>396,088</b>

### 2016 Board Approved-2022 Test Variances

#### Billing and Customer Service

Variance: \$50,046

The majority of the increase is inflation-related. Beyond that, we have experienced higher postage expenses due to the new requirement to send out overdue reminders. Although this could be considered a collection cost, historically RSL has charged all postage to Billing. This was a mandated expense, and there were no other options for delivery.

#### Underground Maintenance

Variance: \$53,872

The cause of this variance is entirely due to labour and truck cost being charged to this program. This is within our control. Ultimately circumstances dictate how much is charged to this account.

#### Engineering and Supervision

Variance: \$51,279

This variance has been caused by higher labour costs. When RSL last rebased, OM&A was based on 2016 actual costs. In 2016, this program was lower as our Operations Manager was on an extended leave which reduced directly attributable costs. The amount in 2022 Test is based on the expected normal cost for this program. This was not a controllable increase. The only way to avoid the increase was to not have an Operations Manager, which is not an option.

#### Administrative and Financial

Variance: \$170,192

Although this appears to be a very large variance, the base amount is high. Inflation is responsible for over \$100,000 of the variance. The other main contributor to the variance is the retirement and hiring of senior management personnel. RSL's CEO retired in 2021, and the CFO is retiring in 2022. The increased costs reflect the third-party recruitment costs plus the potentially higher remuneration in line with market expectations for the new executives. Some of this cost was controllable and some was not. For example, a professional recruitment company has been used to replace both the CEO and CFO of RSL. This was a decision of the RSL Board and the purpose was to find the best candidates. We have incurred increased costs related to Board member training. This is also a controllable expense but important from a governance perspective and the OEB's expectations.

2020 Actual-2022 Test Variances, Increases above the materiality threshold

Administrative and Financial

Variance: \$122,589

The variance is made up of two primary items. First, as described above, RSL has hired a new CEO and will hire a new CFO in 2022. In order to attract the best candidates, it is expected that higher salaries will be paid to the new executives. The other cost related to the hirings is the third-party HR recruitment firm being used for the hiring project. There is a cost of approximately \$25,000 per executive for this service.

The other variance concerns travel, conferences, and education. 2020 was not a normal year due to the pandemic. Virtually all travel was stopped as of March 2020. The 2022 Test year cost is based on a “normal” year, and includes \$25,000 for conferences, meetings, and other functions.

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

RSL is committed to making the company increasingly safe, secure, and efficient. To succeed in the complex and rapidly changing industry, RSL must recruit and retain individuals with the appropriate skill sets to remain current and competitive. RSL maintains a consistent headcount and has no current plans to increase the number of employees.

In an industry faced with an aging workforce and the challenges of a competitive labour market, RSL is faced with a turnover of approximately 25% of its workforce within the next five years. RSL must position itself to attract, motivate, and retain the talent that is critical to maintaining and renewing its distribution system. Therefore, RSL's total compensation package and ability to offer a rewarding work experience must enable it to compete successfully for employees with the requisite skill sets. To avoid falling behind the market it is important the compensation system be reviewed on an ongoing basis. With that in mind, each year any recommended compensation adjustments are based on industry experience and projections.

Performance pay is a part of Management compensation determined by the RSL Board. Each Manager is evaluated based on the completion of goals for the year as agreed upon by the Manager and the Board. Performance pay is variable, and not guaranteed.

RSL, as a member of CHEC, participates in annual labour rate surveys to compare how the wages paid to all employees compare with the other LDCs. We find that we are typically below the average for most positions.

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

CUPE local 3839 is the sole bargaining agent for over 80% of RSL's employees. Compensation for unionized employees is negotiated through the collective bargaining process. When negotiating wage levels, consideration is given to the skill sets required to work within the distribution system, as well as the competitive wage levels of its geographic market. RSL's current contract with CUPE came into effect on April 1, 2018 and expires March 31, 2022. Wage increases of approximately 2.5% per year were negotiated with the union.

As stated in Chapter 2 of The Filing Requirements, "where there are three or fewer employees in any category, the applicant must aggregate this category with the category to which it is most

closely related”. RSL has shown the headcounts split between the Executive and CUPE, but Compensation and Benefits have been aggregated.

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

For this report, RSL has included regular wages, overtime, and benefits listed above, and other benefits such as vacations and statutory holidays.

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

RSL uses the accrual method to establish the liability each year end. The amount charged to OM&A represents the Current Service Cost and the Actuarial Gain or Loss. The calculations are checked by our external auditors as part of the year end audit. The following Table 4.16 shows the annual amount charged each year related to post retirement benefits:

**Table 4.16: Post Retirement Benefit Costs in OM&A**

Year	Expense
2016	1,125.00
2017	998.00
2018	1,099.00
2019	1,231.00
2020	1,292.00
2021	6,197.00
2022	4,000.00

The expense is expected to increase in 2021 and 2022 due to retirements of the CEO and CFO, replaced by younger Managers, who are expected to increase the liability due to age and increased earnings.

RSL is not including an actuarial report because we calculate the amounts internally. The detailed information is not being displayed in this application because of privacy concerns. The calculations clearly indicate the individuals and earnings information.

The employees and costs incurred are provided by the Affiliate Rideau St. Lawrence Utilities Inc. Table 4.17 below is the summary of the employee numbers and costs.

**Table 4.17: Employee Costs (Ch2 Appendix 2-k)**

	Last Rebasings Year (2016 OEB Approved)	Last Rebasings Year (2016 Actuals)	2017 Actuals	2018 Actuals	2019 Actuals	2020 Actuals	2021 Bridge Year	2022 Test Year
<b>Number of Employees (FTEs including Part-Time)<sup>1</sup></b>								
Management (including executive)	3	3	3	3	3	3	3	3
Non-Management (union and non-union)	12	12	13	11	12	12	12	12
Total	15	15	16	14	15	15	15	15
<b>Total Salary and Wages including overtime and incentive pay</b>								
Management (including executive)								
Non-Management (union and non-union)	\$ 929,215	\$ 907,100	\$ 982,289	\$ 908,909	\$ 983,493	\$ 1,049,581	\$ 1,054,192	\$ 1,130,452
Total	\$ 929,215	\$ 907,100	\$ 982,289	\$ 908,909	\$ 983,493	\$ 1,049,581	\$ 1,054,192	\$ 1,130,452
<b>Total Benefits (Current + Accrued)</b>								
Management (including executive)								
Non-Management (union and non-union)	\$ 442,982	\$ 450,715	\$ 505,233	\$ 508,183	\$ 515,305	\$ 528,059	\$ 584,549	\$ 626,539
Total	\$ 442,982	\$ 450,715	\$ 505,233	\$ 508,183	\$ 515,305	\$ 528,059	\$ 584,549	\$ 626,539
<b>Total Compensation (Salary, Wages, &amp; Benefits)</b>								
Management (including executive)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Management (union and non-union)	\$ 1,372,197	\$ 1,357,815	\$ 1,487,522	\$ 1,417,092	\$ 1,498,798	\$ 1,577,640	\$ 1,638,741	\$ 1,756,991
Total	\$ 1,372,197	\$ 1,357,815	\$ 1,487,522	\$ 1,417,092	\$ 1,498,798	\$ 1,577,640	\$ 1,638,741	\$ 1,756,991

## Employee Cost Variance Analysis

### 2016 Board Approved vs. 2016 Actual

As shown in Table 4.18, there were no significant variances between the Board-Approved amount and the actual results in 2016. FTE was unchanged.

**Table 4.18: 2016 Board Approved vs. 2016 Actual**

		Approved			%
		2016	2016	Variance	Variance
FTE		15	15	-	0.00%
Wages		929,215	907,100	- 22,115	-2.38%
Benefits		442,982	450,715	7,733	1.75%
Total		1,372,197	1,357,815	- 14,382	-1.05%

2016 Actual vs. 2017 Actual

The increase of 1 person is a combination of additional overtime worked by staff, and the mid-year hiring of a Meter Reader/Locates position. The additional cost is due to these factors. Benefits increased by a higher amount due to a large cost increase from MEARIE, our health care provider. The detail is shown in Table 4.19.

**Table 4.19: 2016 Actual vs. 2017 Actual**

		2016	2017	Variance	%
		2016	2017	Variance	Variance
FTE		15	16	1	0.00%
Wages		907,100	982,289	75,189	8.29%
Benefits		450,715	505,233	54,518	12.10%
Total		1,357,815	1,487,522	129,707	9.55%

2017 Actual vs. 2018 Actual

Out FTE was down by 2 in 2018, as shown in Table 4.20. Our Operations Manager retired, and it took several months to replace the position. In addition, an Administrative employee left mid-year due to illness. Her position could not be filled on a full time basis as she was going on long-term disability and her job was protected in case she returned.

**Table 4.20: 2017 Actual vs. 2018 Actual**

		2017	2018	Variance	% Variance
FTE		16	14	- 2	0.00%
Wages		982,289	908,909	- 73,380	-7.47%
Benefits		505,233	508,183	2,950	0.58%
Total		1,487,522	1,417,092	- 70,430	-4.73%

2018 Actual vs. 2019 Actual

As shown in Table 4.21, in 2019, staffing returned to normal levels. This is reflected in the increase in wages.

**Table 4.21: 2018 Actual vs. 2019 Actual**

		2018	2019	Variance	% Variance
FTE		14	15	1	0.00%
Wages		908,909	983,493	74,584	8.21%
Benefits		508,183	515,305	7,122	1.40%
Total		1,417,092	1,498,798	81,706	5.77%

2019 Actual vs. 2020 Actual

In 2020 our FTE remained consistent but there was an increase in wages, as shown in Table 4.22. Beyond the increases included in the CUPE contract there were employees who had progression increases due to increased experience.

**Table 4.22: 2019 Actual vs. 2020 Actual**

		2019	2020	Variance	% Variance
FTE		15	15	-	0.00%
Wages		983,493	1,049,581	66,088	6.72%
Benefits		515,305	528,059	12,754	2.48%
Total		1,498,798	1,577,640	78,842	5.26%

2020 Actual vs. 2021 Bridge

FTE has remained consistent. RSL's CEO retired mid-year and was replaced in September. The benefits increase, as shown in Table 4.23, is an estimate based on increased costs and new employees joining the benefit program.

**Table 4.23: 2020 Actual vs. 2021 Bridge**

		2020	Bridge 2021	Variance	% Variance
FTE		15	15	-	0.00%
Wages		1,049,581	1,054,192	4,611	0.44%
Benefits		528,059	584,549	56,490	10.70%
Total		1,577,640	1,638,741	61,101	3.87%

2021 Bridge vs. 2022 Test

As shown in Table 4.24, the FTE remains consistent. Wages and benefits are expected to be higher because of the full year impact of a new CEO's wages and a partial year of a new CFO's wages.

The FTEE for the 2022 Test year is 15 and is the same employee count that was approved in our last Cost of Service application.

**Table 4.24: 2021 Bridge vs. 2022 Test**

		Bridge	Test		%
		2021	2022	Variance	Variance
FTE		15	15	-	0.00%
Wages		1,054,192	1,130,452	76,260	7.23%
Benefits		584,549	626,539	41,990	7.18%
Total		1,638,741	1,756,991	118,250	7.22%

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

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

- Meter Reading
- Billing
- Collecting
- Administration
- Operations

### **Shared Services Cost Allocation Methodology:**

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

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

Utilities provide meter readings, billing, and collection functions for the municipalities and for RSL. Billing and Collection functions are provided on a shared cost basis. Meter Reading does not have any shared costs. Specific costs related to the smart meter data gathering and processing are charged directly to the LDC.

This allocation of costs is different than in the past, where some of the shared costs were charged to RSL for the manual reading of electric demand meters. As these meters are read electronically, the shared costs are no longer applicable.

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

Collections costs are allocated based on the number of bills issued: 59,000 for electricity versus 52,000 for water, or 53% to 47%.

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

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

Labour costs are charged based on actual costs, plus an overhead rate of 55% for 2022. Each employee completes a time sheet detailing the time and the type of work they performed.

### **Corporate Cost Allocation:**

RSL has affiliates, as shown in Exhibit 1/Tab 8/Sch.1. One of the affiliates, Rideau St. Lawrence Utilities Inc., is a services company that provides all of the manpower required by RSL to operate its distribution system. The costs for these services are passed through to RSL at cost. A corporate charge is then calculated to provide a return on the investments of Utilities. This charge is allocated to each affiliate based on the percentage of total revenue of the Consolidated Corporation. In 2016, the corporate charge to RSL was \$57,006, compared with the \$60,000 as approved in RSL's 2016 Cost of Service application. The reason for the

decrease in the corporate charge in the 2022 Test year is that the value of the assets owned by the Utilities company has decreased. The Utilities company will make capital investments in the coming years to offset the decrease in their asset base. The cost to RSL is reasonable, as RSL is the primary user of the building, which is the primary asset owned by the Utilities company.

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

Table 4.25 below is historical shared services and corporate cost allocation.

**Table 4.25 - OEB Appendix 2-N – Shared Services and Corporate Cost Allocation**

Year: 2016 Board Approved

**Shared Services**

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		\$61,989
Utilities	RSL	Billing	100% of direct costs and 77% of shared costs		\$355,008
Utilities	RSL	Collecting	100% of direct costs and 53% of shared costs		\$57,823

**Corporate Cost Allocation**

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		\$61,212

Year: 2016

**Shared Services**

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		\$67,100
Utilities	RSL	Billing	100% of direct costs and 77% of shared costs		\$342,667
Utilities	RSL	Collecting	100% of direct costs and 53% of shared costs		\$57,861

**Corporate Cost Allocation**

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		\$57,006

Year: 2017

**Shared Services**

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		\$64,935
Utilities	RSL	Billing	100% of direct costs and 77% of shared costs		\$356,761
Utilities	RSL	Collecting	100% of direct costs and 53% of shared costs		\$50,361

**Corporate Cost Allocation**

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		\$49,824

Year: 2018

**Shared Services**

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		\$67,095
Utilities	RSL	Billing	100% of direct costs and 77% of shared costs		\$378,708
Utilities	RSL	Collecting	100% of direct costs and 53% of shared costs		\$54,307

**Corporate Cost Allocation**

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		\$48,148

Year: 2019

**Shared Services**

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		\$63,846
Utilities	RSL	Billing	100% of direct costs and 77% of shared costs		\$392,785
Utilities	RSL	Collecting	100% of direct costs and 53% of shared costs		\$48,910

**Corporate Cost Allocation**

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		\$46,394

Year: 2020

**Shared Services**

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		\$63,396
Utilities	RSL	Billing	100% of direct costs and 77% of shared costs		\$370,656
Utilities	RSL	Collecting	100% of direct costs and 53% of shared costs		\$49,464

**Corporate Cost Allocation**

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		\$44,536

Year: 2021 Bridge

**Shared Services**

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs and 15% of shared costs		\$61,628
Utilities	RSL	Billing	100% of direct costs and 77% of shared costs		\$386,536
Utilities	RSL	Collecting	100% of direct costs and 53% of shared costs		\$50,881

**Corporate Cost Allocation**

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		\$44,000

Year: 2022 Test

**Shared Services**

Name of Company		Service Offered	Pricing Methodology	Price for the Service	Cost for the Service
From	To			\$	\$
Utilities	RSL	Meter Reading	100% of direct costs		\$48,180
Utilities	RSL	Billing	100% of direct costs and 77% of shared costs		\$377,606
Utilities	RSL	Collecting	100% of direct costs and 53% of shared costs		\$54,061

**Corporate Cost Allocation**

Name of Company		Service Offered	Pricing Methodology	% of Corporate Costs Allocated	Amount Allocated
From	To			%	\$
RSL	Utilities	MSA	Return on Utilities Assets		\$44,000

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

### 2016 Board-Approved vs 2022 Test Year

As shown in Table 4.26, the cost for Billing has increased by \$22,598 from the 2016 Board Approved amount. Approximately half of the increase can be attributed to inflation. The 2022 costs also reflect additional costs such as increased postage costs due to the mailing of friendly reminders.

Meter reading costs are lower than the amount in 2016 Approved as there are no longer any shared costs to be charged to RSL.

The Corporate Charge from Utilities to RSL, has decreased since 2016. This is due to a decrease in the net value of the assets owned by the Utilities company. The Corporate Charge is calculated as the net fixed assets of Utilities multiplied by the rate of return on capital.

**Table 4.26: 2016 Board-Approved vs 2022 Test Year**

Shared Services					
			2016	2022	
From	To	Service	Approved	Test	Variance
Utilities	RSL	Meter Reading	61,989	48,180	- 13,809
Utilities	RSL	Billing	355,008	377,606	22,598
Utilities	RSL	Collecting	57,823	54,061	- 3,762
Corporate Charge					
			2016	2022	
From	To	Service	Approved	Test	Variance
Utilities	RSL	Use of Utilities Assets	61,212	44,000	- 17,212

2020 Actual vs 2022 Test Year

As displayed in Table 4.27, there are no significant variances between the 2020 actual costs and 2022 test. Variances are consistent with those already described between the 2016 OEB approved amount and 2022 Test.

**Table 4.27: 2020 Actual vs 2022 Test Year**

			2020	2022	
From	To	Service	Actual	Test	Variance
Utilities	RSL	Meter Reading	63,396	48,180	- 15,216
Utilities	RSL	Billing	360,502	377,606	17,104
Utilities	RSL	Collecting	49,464	54,061	4,597
<b>Corporate Charge</b>					
			2020	2022	
From	To	Service	Actual	Test	Variance
Utilities	RSL	Use of Utilities Assets	44,536	44,000	- 536

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

RSL does not have a formal documented procurement policy. RSL uses good business practices to obtain pricing. Significant capital purchases, such as vehicles, which are above the materiality threshold, are approved by the Board of Directors. The Board approves a capital and operating budget for the year, and significant individual capital purchases are identified and explained. The approval of budget by the RSL Board provides the authority for RSL management to proceed with the research and purchase of those items. As stated previously, purchases such as vehicles are discussed with the RSL Board prior to completing the transaction. Purchases are discussed with the RSL Board during quarterly meetings.

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

Significant purchased non-affiliate services are listed below in Table 4.28.

**Table 4.28: Purchased Non-Affiliate Services**

Supplier	2016	2017	2018	2019	2020	Activity	Method
Harris Computer Systems	55,263	60,261	58,607	61,605	59,832	Software and Support	Market Price
Utilismart	35,040	35,020	35,040	35,040	38,900	Settlement Services	Market Price
Util Assist	22,398	22,611	23,230	23,522	24,111	IT/Software Services	Market Price
Elster	36,651	36,606	37,186	33,663	31,781	IT/Software Services	CHEC RFP

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

As shown in Table 4.29 below, RSL anticipates that there will be several one-time costs that will be incurred as part of this application. The anticipated consultant costs are for the preparation of the Distribution System Plan, and for third-party reviews of the Load Forecast.

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

**Table 4.29: One-time Costs (From Appendix 2-M)**

Expert Witness costs	-
Legal costs	20,000
Consultants' costs	55,600
Incremental operating expenses associated with staff resources allocated to this application.	-
Incremental operating expenses associated with other resources allocated to this application. <sup>1</sup>	-
Intervenor costs	20,000
Total	95,600

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

RSL proposes to recover \$46,200 of regulatory costs through rates. The purpose of this evidence is to document RSL's ongoing Regulatory costs, the drivers of these costs, and the quantified year over year changes. RSL has completed the OEB's schedule 2-M, as shown below.

RSL's Regulatory costs include:

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

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

RSL's proposed 2022 costs include \$19,120 for the amortization over 5 years of the costs related to this application (total anticipated cost of \$95,600).

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

- Load forecasting
- Distribution System Plan
- Legal

The breakdown of the regulatory costs is provided in Table 4.30 below.

**Table 4.30: Breakdown of Regulatory Costs**

**Appendix 2-M  
Regulatory Cost Schedule**

Regulatory Cost Category	USoA Account	USoA Account Balance	Last Rebasings Year (2016 OEB Approved)	Last Rebasings Year (2016 Actual)	Most Current Actuals Year 2020	2021 Bridge Year	Annual % Change	2022 Test Year	Annual % Change
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)=[(G)-(F)]/(F)	(I)	(J) = [(I)-(G)]/(G)
<b>Regulatory Costs (Ongoing)</b>									
1 OEB Annual Assessment	5655		16,392	16,392	16,396	16,392	-0.02%	24,800	51.29%
2 OEB Section 30 Costs (OEB-initiated)			98	98	814	807	-0.86%	1,480	83.40%
3 Expert Witness costs for regulatory matters									
4 Legal costs for regulatory matters									
5 Consultants' costs for regulatory matters									
6 Operating expenses associated with staff resources allocated to regulatory matters									
7 Operating expenses associated with other resources allocated to regulatory matters <sup>1</sup>			155	155	1,598	532	-66.71%		-100.00%
8 Other regulatory agency fees or assessments			800	800	800	800	0.00%	800	0.00%
9 Any other costs for regulatory matters (please define)			557	557					
10 Intervenor costs									
11 Include other items in green cells, as applicable									
30									
<b>Regulatory Costs (One-Time)</b>									
1 Expert Witness costs									
2 Legal costs			2,189	2,189	4,700	1,568	-66.64%	4,000	155.10%
3 Consultants' costs			7,014	7,014	13,161	4,388	-66.66%	11,120	153.42%
4 Incremental operating expenses associated with staff resources allocated to this application.									
5 Incremental operating expenses associated with other resources allocated to this application. <sup>1</sup>									
6 Intervenor costs			1,983	1,983	4,541	1,512	-66.70%	4,000	164.55%
7 OEB Section 30 Costs (application-related)									
8 Include other items in green cells, as applicable									
9									
30									
1 Sub-total - Ongoing Costs <sup>2</sup>		\$ -	\$ 18,001	\$ 18,001	\$ 19,608	\$ 18,531	-5.49%	\$ 27,080	46.13%
2 Sub-total - One-time Costs <sup>3</sup>		\$ -	\$ 11,186	\$ 11,186	\$ 22,402	\$ 7,468	-66.66%	\$ 19,120	156.03%
3 Total		\$ -	\$ 29,187	\$ 29,187	\$ 42,010	\$ 25,999	-38.11%	\$ 46,200	77.70%

<b>Application-Related One-Time Costs</b>	<b>Total</b>
Total One-Time Costs Related to Application to be Amortized over IRM Period	\$ 95,600
1/5 of Total One-Time Costs	\$ 19,120

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

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

RSL has partnered with Employment and Education Centre in Brockville, and the United Way in Cornwall, to assist with this program intended to provide emergency relief to eligible low-income customers who may be experiencing difficulty paying current arrears. Unfortunately, the Centre in Brockville is not willing to participate in the program any longer, and we have not been able to find another partner agency in the western end of our service territory. As such, all of the funding is going to the United Way in Cornwall, primarily but not exclusively assisting customers at the eastern end of our service territory.

In compliance with OEB policy, RSL:

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

RSL has included the projected LEAP contribution in its 2022 Revenue Requirement.

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

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

In compliance with the filing requirements, which state that “the recovery of charitable donations will not be allowed for the purpose of setting rates, except for contributions to programs that provide assistance to the distributor’s customers in paying their electricity bills and assistance to low income consumers.” RSL confirms that no amounts for charitable donations have been included in its proposed distribution expenses for the 2022 Test Year.

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

There were no amounts paid in charitable or political donations from 2016 up to 2020. No donations are planned for 2021 or 2022.

## Depreciation, Amortization & Depletion

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

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

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

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

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

- Depreciation Expense – Appendix 2-C

Table(s) 4.31 on the following pages illustrate the Fixed Asset Amortization Schedules that have been updated in the Board's Chapter 2 Appendices workbook that has been filed with this application.

**Table 4.31 – Depreciation and Amortization Expense**

2016		Book Values							Service Lives				Depreciation Expense				
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1) <sup>1</sup>	Less Fully Depreciated <sup>7</sup>	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change <sup>2</sup>	Less Fully Depreciated <sup>8</sup>	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change <sup>3</sup>	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change <sup>4</sup>	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions <sup>5</sup>	Total Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J
		a	b	c = a-b	d	e	f = d-e	g	h	i = 1/h	j	k = 1/j	l = c/h	m = 1/j	n = g*0.5/j	o = l+m+n	p
1611	Computer Software (Formally known as Account 1925)	\$ 15,599	\$ 12,479	\$ 3,120	\$ 145,816	\$ 51,208	\$ 94,608	\$ 7,650	1.00	100.00%	3.03	33.00%	\$ 3,120	\$ 31,224	\$ 765	\$ 35,109	\$ 35,126
1612	Land Rights (Formally known as Account 1906)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1805	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1808	Buildings	\$ 70,722	\$ 3,271	\$ 67,451	\$ 20,761	\$ 580	\$ 20,181	\$ -	41.24	2.42%	48.60	2.06%	\$ 1,636	\$ 415	\$ -	\$ 2,051	\$ 2,051
1810	Leasehold Improvements			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1815	Transformer Station Equipment >50 kV			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1820	Distribution Station Equipment <50 kV	\$ 231,743	\$ 13,819	\$ 217,924	\$ 357,562	\$ 7,380	\$ 350,182	\$ 124,035	31.59	3.17%	43.13	2.32%	\$ 6,899	\$ 8,119	\$ 1,378	\$ 16,396	\$ 16,395
1820	Wholesale Meters	\$ 230,366	\$ 24,999	\$ 205,367	\$ 43,989	\$ 2,333	\$ 41,656	\$ -	16.43	6.09%	23.16	4.32%	\$ 12,500	\$ 1,799	\$ -	\$ 14,298	\$ 14,298
1825	Storage Battery Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1830	Poles, Towers & Fixtures	\$ 363,299	\$ 18,219	\$ 345,080	\$ 276,152	\$ 9,451	\$ 266,701	\$ 104,649	33.23	3.01%	42.96	2.33%	\$ 10,385	\$ 6,208	\$ 1,163	\$ 17,755	\$ 17,704
1835	Overhead Conductors & Devices	\$ 1,134,524	\$ 45,470	\$ 1,089,054	\$ 260,445	\$ 6,630	\$ 253,815	\$ 87,031	47.90	2.09%	55.13	1.81%	\$ 22,736	\$ 4,604	\$ 725	\$ 28,065	\$ 28,064
1840	Underground Conduit	\$ 19,991	\$ 1,022	\$ 18,969	\$ 12,062	\$ 201	\$ 11,861	\$ 3,947	37.11	2.69%	49.36	2.03%	\$ 511	\$ 240	\$ 39	\$ 791	\$ 791
1845	Underground Conductors & Devices	\$ 457,934	\$ 30,875	\$ 427,059	\$ 127,672	\$ 5,216	\$ 122,456	\$ 14,645	27.66	3.62%	38.06	2.63%	\$ 15,440	\$ 3,217	\$ 183	\$ 18,840	\$ 18,838
1850	Line Transformers	\$ 494,338	\$ 25,301	\$ 469,037	\$ 142,583	\$ 4,508	\$ 138,075	\$ 84,374	34.59	2.89%	43.18	2.32%	\$ 13,560	\$ 3,198	\$ 937	\$ 17,695	\$ 17,686
1855	Services (Overhead & Underground)	\$ 208,115	\$ 8,619	\$ 199,496	\$ 38,171	\$ 796	\$ 37,375	\$ 10,624	46.29	2.16%	58.31	1.71%	\$ 4,310	\$ 641	\$ 89	\$ 5,039	\$ 5,039
1860	Meters	\$ 126,413	\$ 13,859	\$ 112,554	\$ -	\$ -	\$ -	\$ -	16.24	6.16%	25.00	4.00%	\$ 6,931	\$ -	\$ -	\$ 6,931	\$ 6,737
1860	Meters (Smart Meters)	\$ 772,250	\$ 141,568	\$ 630,682	\$ 83,796	\$ 9,456	\$ 74,340	\$ 11,656	8.74	11.44%	12.72	7.86%	\$ 72,160	\$ 5,844	\$ 389	\$ 78,393	\$ 77,789
1905	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1908	Buildings & Fixtures			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1910	Leasehold Improvements	\$ 3,959	\$ 1,759	\$ 2,200			\$ -		2.50	40.00%		0.00%	\$ 880	\$ -	\$ -	\$ 880	\$ 880
1915	Office Furniture & Equipment (10 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1915	Office Furniture & Equipment (5 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equipment - Hardware	\$ 13,192	\$ 11,336	\$ 1,856	\$ 73,215	\$ 26,327	\$ 46,888	\$ 13,905	1.00	100.00%	2.92	34.25%	\$ 1,856	\$ 16,058	\$ 1,391	\$ 19,304	\$ 19,327
1920	Computer Equip.-Hardware(Post Mar. 22/04)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equip.-Hardware(Post Mar. 19/07)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1930	Transportation Equipment	\$ 333,432	\$ 152,855	\$ 180,577	\$ 101,800	\$ 21,202	\$ 80,598	\$ 3,133	2.55	39.22%	4.00	25.00%	\$ 70,815	\$ 20,150	\$ 313	\$ 91,277	\$ 91,320
1935	Stores Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1940	Tools, Shop & Garage Equipment	\$ 35,893	\$ 26,359	\$ 9,534	\$ 25,936	\$ 5,359	\$ 20,577	\$ 14,845	2.81	35.59%	7.93	12.61%	\$ 3,393	\$ 2,595	\$ 742	\$ 6,730	\$ 6,731
1945	Measurement & Testing Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1950	Power Operated Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ 25,511	\$ 2,551	\$ 22,960	\$ -	-	0.00%	4.50	22.22%	\$ -	\$ 5,102	\$ -	\$ 5,102	\$ 5,102
1955	Communication Equipment (Smart Meters)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1960	Miscellaneous Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1970	Load Management Controls Customer Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1975	Load Management Controls Utility Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1980	System Supervisor Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1985	Miscellaneous Fixed Assets			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1990	Other Tangible Property			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1995	Contributions & Grants			\$ -	\$ 35,923	\$ 1,202	\$ 34,721	\$ 98,250		0.00%	39.60	2.53%	\$ -	\$ 877	\$ 1,241	\$ 2,117	\$ 1,884
2005	Property Under Finance Lease			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
	<b>Total</b>	<b>\$ 4,511,770</b>	<b>\$ 531,810</b>	<b>\$ 3,979,960</b>	<b>\$ 1,699,548</b>	<b>\$ 151,996</b>	<b>\$ 1,547,552</b>	<b>\$ 382,244</b>					<b>\$ 247,129</b>	<b>\$ 108,537</b>	<b>\$ 6,874</b>	<b>\$ 362,540</b>	<b>\$ 361,996</b>

2017		Book Values							Service Lives				Depreciation Expense					Depreciation Expense per Appendix 2-BA Fixed Assets, Column J
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1) <sup>1</sup>	Less Fully Depreciated <sup>7</sup>	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change <sup>2</sup>	Less Fully Depreciated <sup>8</sup>	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change <sup>3</sup>	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change <sup>4</sup>	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions <sup>5</sup>	Total Current Year Depreciation Expense		
		a	b	c = a-b	d	e	f = d-e	g	h	i = f/h	j	k = f/j	l = c/h	m = f/j	n = g*0.5/j	o = l+m+n	p	
1611	Computer Software (Formally known as Account 1925)			\$ -	\$ 153,466	\$ 83,214	\$ 70,252	\$ 5,840		0.00%	2.31	43.29%	\$ -	\$ 30,412	\$ 584	\$ 30,996	\$ 31,007	
1612	Land Rights (Formally known as Account 1906)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1805	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1808	Buildings	\$ 70,722	\$ 4,907	\$ 65,815	\$ 20,761	\$ 995	\$ 19,766	\$ 4,382	40.24	2.49%	47.60	2.10%	\$ 1,636	\$ 415	\$ 44	\$ 2,095	\$ 2,095	
1810	Leasehold Improvements			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1815	Transformer Station Equipment >50 kV			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1820	Distribution Station Equipment <50 kV	\$ 231,743	\$ 20,717	\$ 211,026	\$ 481,597	\$ 16,877	\$ 464,720	\$ 234,862	30.59	3.27%	42.73	2.34%	\$ 6,899	\$ 10,876	\$ 2,610	\$ 20,384	\$ 20,383	
1820	Wholesale Meters	\$ 230,366	\$ 37,498	\$ 192,868	\$ 43,989	\$ 4,132	\$ 39,857	\$ 4,109	15.43	6.48%	22.16	4.51%	\$ 12,500	\$ 1,799	\$ 82	\$ 14,380	\$ 14,380	
1825	Storage Battery Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1830	Poles, Towers & Fixtures	\$ 360,621	\$ 27,552	\$ 333,069	\$ 380,801	\$ 16,822	\$ 363,979	\$ 75,871	32.24	3.10%	42.65	2.34%	\$ 10,331	\$ 8,534	\$ 843	\$ 19,708	\$ 19,722	
1835	Overhead Conductors & Devices	\$ 1,134,524	\$ 68,206	\$ 1,066,318	\$ 347,476	\$ 11,959	\$ 335,517	\$ 122,598	46.87	2.13%	54.37	1.84%	\$ 22,751	\$ 6,171	\$ 1,022	\$ 29,943	\$ 29,991	
1840	Underground Conduit	\$ 19,991	\$ 1,534	\$ 18,457	\$ 16,009	\$ 481	\$ 15,528	\$ 16,433	36.10	2.77%	48.64	2.06%	\$ 511	\$ 319	\$ 164	\$ 995	\$ 995	
1845	Underground Conductors & Devices	\$ 457,934	\$ 46,313	\$ 411,621	\$ 142,318	\$ 8,617	\$ 133,701	\$ 77,336	26.66	3.75%	37.31	2.68%	\$ 15,440	\$ 3,584	\$ 967	\$ 19,990	\$ 19,988	
1850	Line Transformers	\$ 492,946	\$ 37,841	\$ 455,105	\$ 226,957	\$ 8,643	\$ 218,314	\$ 108,053	33.44	2.99%	42.04	2.38%	\$ 13,610	\$ 5,193	\$ 1,201	\$ 20,003	\$ 20,173	
1855	Services (Overhead & Underground)	\$ 207,871	\$ 12,929	\$ 194,942	\$ 48,794	\$ 1,526	\$ 47,268	\$ 29,935	45.28	2.21%	57.78	1.73%	\$ 4,305	\$ 818	\$ 249	\$ 5,373	\$ 5,631	
1860	Meters	\$ 126,413	\$ 20,788	\$ 105,625	\$ -	\$ -	\$ -	\$ -	15.25	6.56%	25.00	4.00%	\$ 6,926	\$ -	\$ -	\$ 6,926	\$ 6,909	
1860	Meters (Smart Meters)	\$ 760,096	\$ 207,792	\$ 552,304	\$ 95,269	\$ 15,665	\$ 79,604	\$ 28,994	7.74	12.92%	12.00	8.33%	\$ 71,357	\$ 6,634	\$ 966	\$ 78,957	\$ 78,569	
1905	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1908	Buildings & Fixtures			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1910	Leasehold Improvements	\$ 3,959	\$ 2,639	\$ 1,320	\$ -	\$ -	\$ -	\$ 9,845	1.50	66.67%	10.00	10.00%	\$ 880	\$ -	\$ 492	\$ 1,372	\$ 1,372	
1915	Office Furniture & Equipment (10 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1915	Office Furniture & Equipment (5 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1920	Computer Equipment - Hardware	\$ 55,089	\$ 13,192	\$ 41,897	\$ 129,016	\$ 85,695	\$ 43,321	\$ 16,614	1.00	100.00%	2.41	41.49%	\$ 41,897	\$ 17,976	\$ 1,661	\$ 61,534	\$ 61,506	
1920	Computer Equip.-Hardware(Post Mar. 22/04)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1920	Computer Equip.-Hardware(Post Mar. 19/07)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1930	Transportation Equipment	\$ 333,432	\$ 223,699	\$ 109,733	\$ 104,933	\$ 41,678	\$ 63,255	\$ 411,028	2.04	49.02%	3.04	32.89%	\$ 53,791	\$ 20,808	\$ 26,900	\$ 101,498	\$ 101,316	
1935	Stores Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1940	Tools, Shop & Garage Equipment	\$ 32,018	\$ 25,880	\$ 6,138	\$ 40,781	\$ 8,695	\$ 32,086	\$ 13,857	2.20	45.45%	7.87	12.71%	\$ 2,790	\$ 4,077	\$ 880	\$ 7,747	\$ 7,558	
1945	Measurement & Testing Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1950	Power Operated Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ 25,511	\$ 7,653	\$ 17,858	\$ -	-	0.00%	3.50	28.57%	\$ -	\$ 5,102	\$ -	\$ 5,102	\$ 5,102	
1955	Communication Equipment (Smart Meters)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1960	Miscellaneous Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1970	Load Management Controls Customer Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1975	Load Management Controls Utility Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1980	System Supervisor Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1985	Miscellaneous Fixed Assets			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1990	Other Tangible Property			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
1995	Contributions & Grants			\$ -	\$ 134,513	\$ 3,086	\$ 131,427	\$ 123,772		0.00%	46.56	2.15%	\$ -	\$ 2,823	\$ 1,329	\$ 4,152	\$ 3,939	
2005	Property Under Finance Lease			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -		
	<b>Total</b>	<b>\$ 4,517,725</b>	<b>\$ 751,487</b>	<b>\$ 3,766,238</b>	<b>\$ 2,123,165</b>	<b>\$ 309,566</b>	<b>\$ 1,813,599</b>	<b>\$ 1,035,985</b>					<b>\$ 265,622</b>	<b>\$ 119,894</b>	<b>\$ 37,336</b>	<b>\$ 422,852</b>	<b>\$ 422,757</b>	

2018		Book Values							Service Lives				Depreciation Expense				
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1) <sup>1</sup>	Less Fully Depreciated <sup>7</sup>	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change <sup>2</sup>	Less Fully Depreciated <sup>8</sup>	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change <sup>3</sup>	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change <sup>4</sup>	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions <sup>5</sup>	Total Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J
		a	b	c = a-b	d	e	f = d - e	g	h	i = 1/h	j	k = 1/j	l = c/h	m = f/j	n = g*0.5/j	o = i+m+n	p
1611	Computer Software (Formally known as Account 1925)			\$ -	\$ 142,868	\$ 97,783	\$ 45,085	\$ 4,137		0.00%	1.74	57.47%	\$ -	\$ 25,911	\$ 414	\$ 26,325	\$ 26,310
1612	Land Rights (Formally known as Account 1906)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1805	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1808	Buildings	\$ 70,722	\$ 6,542	\$ 64,180	\$ 25,144	\$ 1,454	\$ 23,690	\$ 2,277	39.24	2.55%	47.11	2.12%	\$ 1,636	\$ 503	\$ 23	\$ 2,161	\$ 2,161
1810	Leasehold Improvements			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1815	Transformer Station Equipment >50 kV			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1820	Distribution Station Equipment <50 kV	\$ 231,743	\$ 27,615	\$ 204,128	\$ 716,460	\$ 30,362	\$ 686,098	\$ 18,369	29.59	3.38%	42.63	2.35%	\$ 6,899	\$ 16,094	\$ 204	\$ 23,197	\$ 23,196
1820	Wholesale Meters	\$ 230,366	\$ 49,997	\$ 180,369	\$ 48,098	\$ 6,013	\$ 42,085	\$ 10,681	14.43	6.93%	21.44	4.66%	\$ 12,500	\$ 1,963	\$ 214	\$ 14,676	\$ 14,676
1825	Storage Battery Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1830	Poles, Towers & Fixtures	\$ 360,120	\$ 37,646	\$ 322,474	\$ 456,673	\$ 26,220	\$ 430,453	\$ 116,896	31.26	3.20%	41.95	2.38%	\$ 10,316	\$ 10,281	\$ 1,299	\$ 21,876	\$ 21,753
1835	Overhead Conductors & Devices	\$ 1,134,524	\$ 90,955	\$ 1,043,569	\$ 470,073	\$ 19,200	\$ 450,873	\$ 81,611	45.87	2.18%	53.35	1.87%	\$ 22,751	\$ 8,451	\$ 680	\$ 31,882	\$ 31,881
1840	Underground Conduit	\$ 19,991	\$ 2,045	\$ 17,946	\$ 32,442	\$ 964	\$ 31,478	\$ 4,746	35.11	2.85%	48.58	2.06%	\$ 511	\$ 648	\$ 47	\$ 1,207	\$ 1,207
1845	Underground Conductors & Devices	\$ 457,934	\$ 61,750	\$ 396,184	\$ 219,653	\$ 13,168	\$ 206,485	\$ 20,572	25.66	3.90%	37.43	2.67%	\$ 15,440	\$ 5,517	\$ 257	\$ 21,213	\$ 21,212
1850	Line Transformers	\$ 487,323	\$ 47,836	\$ 439,487	\$ 335,010	\$ 15,269	\$ 319,741	\$ 131,100	32.16	3.11%	39.09	2.56%	\$ 13,666	\$ 8,180	\$ 1,457	\$ 23,302	\$ 24,430
1855	Services (Overhead & Underground)	\$ 207,871	\$ 17,169	\$ 190,702	\$ 78,730	\$ 2,851	\$ 75,879	\$ 40,066	43.29	2.31%	56.37	1.77%	\$ 4,405	\$ 1,346	\$ 334	\$ 6,085	\$ 6,085
1860	Meters	\$ 125,913	\$ 27,427	\$ 98,486	\$ -	\$ -	\$ -	\$ -	14.16	7.06%	25.00	4.00%	\$ 6,955	\$ -	\$ -	\$ 6,955	\$ 6,955
1860	Meters (Smart Meters)	\$ 752,233	\$ 274,744	\$ 477,489	\$ 123,993	\$ 23,332	\$ 100,661	\$ 96,574	6.63	15.08%	11.18	8.94%	\$ 72,019	\$ 9,004	\$ 3,219	\$ 84,242	\$ 83,617
1905	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1908	Buildings & Fixtures			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1910	Leasehold Improvements	\$ 3,959	\$ 3,519	\$ 440	\$ 9,845	\$ 492	\$ 9,353	\$ -	1.00	100.00%	9.50	10.53%	\$ 440	\$ 985	\$ -	\$ 1,425	\$ 1,424
1915	Office Furniture & Equipment (10 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1915	Office Furniture & Equipment (5 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equipment - Hardware	\$ 13,192	\$ 13,192	\$ -	\$ 145,630	\$ 105,304	\$ 40,326	\$ 16,161		0.00%	2.52	39.68%	\$ -	\$ 16,002	\$ 1,616	\$ 17,618	\$ 17,606
1920	Computer Equip.-Hardware(Post Mar. 22/04)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equip.-Hardware(Post Mar. 19/07)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1930	Transportation Equipment	\$ 297,851	\$ 242,004	\$ 55,847	\$ 517,860	\$ 90,511	\$ 427,349	\$ 1,179	1.50	66.67%	5.74	17.42%	\$ 37,231	\$ 74,451	\$ 92	\$ 111,775	\$ 111,184
1935	Stores Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1940	Tools, Shop & Garage Equipment	\$ 23,719	\$ 20,368	\$ 3,351	\$ 54,638	\$ 13,466	\$ 41,172	\$ 13,759	1.83	54.64%	7.54	13.26%	\$ 1,831	\$ 5,460	\$ 688	\$ 7,980	\$ 7,983
1945	Measurement & Testing Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1950	Power Operated Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ 25,511	\$ 12,756	\$ 12,755	\$ -	-	0.00%	2.50	40.00%	\$ -	\$ 5,102	\$ -	\$ 5,102	\$ 5,102
1955	Communication Equipment (Smart Meters)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1960	Miscellaneous Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1970	Load Management Controls Customer Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1975	Load Management Controls Utility Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1980	System Supervisor Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1985	Miscellaneous Fixed Assets			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1990	Other Tangible Property			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1995	Contributions & Grants			\$ -	\$ 258,285	\$ 7,024	\$ 251,261	\$ 63,487		0.00%	49.28	2.03%	\$ -	\$ 5,099	\$ 644	\$ 5,743	\$ 6,012
2005	Property Under Finance Lease			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
	Total	\$ 4,417,461	\$ 922,809	\$ 3,494,652	\$ 3,144,343	\$ 452,121	\$ 2,692,222	\$ 494,641					\$ 206,599	\$ 184,779	\$ 9,900	\$ 401,278	\$ 400,771

2019		Book Values							Service Lives				Depreciation Expense				
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1)	Less Fully Depreciated <sup>7</sup>	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change <sup>2</sup>	Less Fully Depreciated <sup>8</sup>	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change <sup>3</sup>	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change <sup>4</sup>	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions <sup>5</sup>	Total Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J
		a	b	c = a-b	d	e	f = d - e	g	h	i = 1/h	j	k = 1/j	l = c/h	m = f/j	n = g*0.5/j	o = i+m+n	p
1611	Computer Software (Formally known as Account 1925)			\$ -	\$ 116,890	\$ 93,979	\$ 22,911	\$ 50,517		0.00%	1.62	61.73%	\$ -	\$ 14,143	\$ 5,052	\$ 19,194	\$ 19,178
1612	Land Rights (Formally known as Account 1906)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1805	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1908	Buildings	\$ 70,722	\$ 8,178	\$ 62,544	\$ 27,421	\$ 1,980	\$ 25,441	\$ -	38.24	2.62%	46.39	2.16%	\$ 1,636	\$ 548	\$ -	\$ 2,184	\$ 2,184
1810	Leasehold Improvements			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1815	Transformer Station Equipment >50 kV			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1820	Distribution Station Equipment <50 kV	\$ 231,743	\$ 34,512	\$ 197,231	\$ 734,829	\$ 46,660	\$ 688,169	\$ 40,840	28.59	3.50%	41.70	2.40%	\$ 6,899	\$ 16,503	\$ 454	\$ 23,855	\$ 23,854
1820	Wholesale Meters	\$ 230,366	\$ 62,497	\$ 167,869	\$ 58,779	\$ 8,190	\$ 50,589	\$ 18,799	13.43	7.45%	21.16	4.73%	\$ 12,500	\$ 2,391	\$ 376	\$ 15,266	\$ 15,266
1825	Storage Battery Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1830	Poles, Towers & Fixtures	\$ 353,581	\$ 45,097	\$ 308,484	\$ 573,569	\$ 37,780	\$ 535,789	\$ 120,320	30.29	3.30%	41.67	2.40%	\$ 10,184	\$ 12,858	\$ 1,337	\$ 24,379	\$ 24,265
1835	Overhead Conductors & Devices	\$ 1,134,524	\$ 113,705	\$ 1,020,819	\$ 551,684	\$ 28,332	\$ 523,352	\$ 103,492	44.84	2.23%	55.91	1.79%	\$ 22,766	\$ 9,361	\$ 862	\$ 32,989	\$ 32,987
1840	Underground Conduit	\$ 19,991	\$ 2,556	\$ 17,435	\$ 37,188	\$ 1,660	\$ 35,528	\$ 9,072	34.11	2.93%	47.83	2.09%	\$ 511	\$ 743	\$ 91	\$ 1,345	\$ 1,345
1845	Underground Conductors & Devices	\$ 457,934	\$ 77,188	\$ 380,746	\$ 240,225	\$ 18,942	\$ 221,283	\$ 38,965	24.66	4.06%	36.69	2.73%	\$ 15,440	\$ 6,031	\$ 487	\$ 21,958	\$ 21,956
1850	Line Transformers	\$ 484,062	\$ 59,424	\$ 424,638	\$ 466,110	\$ 26,069	\$ 440,041	\$ 65,545	31.17	3.21%	39.77	2.51%	\$ 13,623	\$ 11,065	\$ 728	\$ 25,416	\$ 25,378
1855	Services (Overhead & Underground)	\$ 207,871	\$ 21,575	\$ 186,296	\$ 118,796	\$ 4,531	\$ 114,265	\$ 29,758	42.29	2.36%	56.74	1.76%	\$ 4,405	\$ 2,014	\$ 248	\$ 6,667	\$ 6,667
1860	Meters	\$ 125,913	\$ 34,382	\$ 91,531	\$ -	\$ -	\$ -	\$ -	13.16	7.60%	25.00	4.00%	\$ 6,955	\$ -	\$ -	\$ 6,955	\$ 6,955
1860	Meters (Smart Meters)	\$ 743,934	\$ 341,546	\$ 402,388	\$ 220,159	\$ 35,451	\$ 184,708	\$ 73,506	5.63	17.76%	11.56	8.65%	\$ 71,472	\$ 15,978	\$ 2,450	\$ 89,901	\$ 89,269
1905	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1908	Buildings & Fixtures			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1910	Leasehold Improvements	\$ 3,959	\$ 3,959	\$ -	\$ 9,845	\$ 1,477	\$ 8,368	\$ -		0.00%	8.50	11.76%	\$ -	\$ 984	\$ -	\$ 984	\$ 984
1915	Office Furniture & Equipment (10 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1915	Office Furniture & Equipment (5 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equipment - Hardware	\$ 13,192	\$ 13,192	\$ -	\$ 161,792	\$ 122,910	\$ 38,882	\$ 14,639		0.00%	2.86	34.97%	\$ -	\$ 13,595	\$ 1,464	\$ 15,059	\$ 15,077
1920	Computer Equip.-Hardware(Post Mar. 22/04)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equip.-Hardware(Post Mar. 19/07)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1930	Transportation Equipment	\$ 333,432	\$ 314,816	\$ 18,616	\$ 517,141	\$ 163,810	\$ 353,331	\$ 1,246	1.00	100.00%	5.07	19.72%	\$ 18,616	\$ 69,691	\$ 125	\$ 88,431	\$ 87,926
1935	Stores Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
1940	Tools, Shop & Garage Equipment	\$ 12,902	\$ 11,382	\$ 1,520	\$ 68,396	\$ 19,617	\$ 48,779	\$ 4,729	1.59	62.89%	7.13	14.03%	\$ 956	\$ 6,841	\$ 236	\$ 8,034	\$ 8,034
1945	Measurement & Testing Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1950	Power Operated Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ 25,511	\$ 17,858	\$ 7,653	\$ -	-	0.00%	1.50	66.67%	\$ -	\$ 5,102	\$ -	\$ 5,102	\$ 5,102
1955	Communication Equipment (Smart Meters)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1960	Miscellaneous Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1970	Load Management Controls Customer Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1975	Load Management Controls Utility Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1980	System Supervisor Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1985	Miscellaneous Fixed Assets			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1990	Other Tangible Property			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1995	Contributions & Grants			\$ -	\$ 321,772	\$ 13,036	\$ 308,736	\$ 138,527		0.00%	45.74	2.19%	\$ -	\$ 6,750	\$ 1,514	\$ 8,264	\$ 8,521
2005	Property Under Finance Lease			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
	Total	\$ 4,424,126	\$ 1,144,009	\$ 3,280,117	\$ 3,606,563	\$ 616,210	\$ 2,990,353	\$ 432,901					\$ 185,963	\$ 181,097	\$ 12,396	\$ 379,456	\$ 377,906

2020		Book Values							Service Lives				Depreciation Expense				
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1) <sup>1</sup>	Less Fully Depreciated <sup>7</sup>	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change <sup>2</sup>	Less Fully Depreciated <sup>8</sup>	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change <sup>3</sup>	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change <sup>4</sup>	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions <sup>5</sup>	Total Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J
		a	b	c = a-b	d	e	f = d-e	g	h	i = 1/h	j	k = 1/j	l = c/h	m = f/j	n = g*0.5/j	o = i+m+n	p
1611	Computer Software (Formally known as Account 1925)			\$ -	\$ 74,887	\$ 20,636	\$ 54,251	\$ 104,038		0.00%	3.79	26.39%	\$ -	\$ 14,314	\$ 10,404	\$ 24,718	\$ 24,707
1612	Land Rights (Formally known as Account 1906)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1805	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1808	Buildings	\$ 70,722	\$ 9,813	\$ 60,909	\$ 27,421	\$ 2,528	\$ 24,893	\$ -	37.24	2.69%	45.39	2.20%	\$ 1,636	\$ 548	\$ -	\$ 2,184	\$ 2,184
1810	Leasehold Improvements			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1815	Transformer Station Equipment >50 kV			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1820	Distribution Station Equipment <50 kV	\$ 231,743	\$ 48,318	\$ 183,425	\$ 800,953	\$ 83,419	\$ 717,534	\$ 40,500	26.56	3.77%	38.63	2.59%	\$ 6,906	\$ 18,575	\$ 450	\$ 25,931	\$ 25,932
1820	Wholesale Meters	\$ 230,366	\$ 74,996	\$ 155,370	\$ 77,577	\$ 10,956	\$ 66,621	\$ -	12.43	8.05%	21.20	4.72%	\$ 12,500	\$ 3,143	\$ -	\$ 15,642	\$ 14,911
1825	Storage Battery Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1830	Poles, Towers & Fixtures	\$ 348,484	\$ 53,526	\$ 294,958	\$ 694,975	\$ 51,976	\$ 642,999	\$ 274,048	29.30	3.41%	41.33	2.42%	\$ 10,067	\$ 16,645	\$ 3,045	\$ 29,756	\$ 29,689
1835	Overhead Conductors & Devices	\$ 1,134,524	\$ 136,469	\$ 998,055	\$ 655,177	\$ 38,554	\$ 616,623	\$ 65,005	43.90	2.28%	55.75	1.79%	\$ 22,735	\$ 11,061	\$ 542	\$ 34,337	\$ 34,337
1840	Underground Conduit	\$ 13,991	\$ 3,067	\$ 10,924	\$ 46,260	\$ 2,493	\$ 43,767	\$ 11,904	33.11	3.02%	47.35	2.11%	\$ 511	\$ 924	\$ 119	\$ 1,555	\$ 1,554
1845	Underground Conductors & Devices	\$ 457,934	\$ 92,626	\$ 365,308	\$ 279,190	\$ 25,461	\$ 253,729	\$ 33,491	23.66	4.23%	36.22	2.76%	\$ 15,440	\$ 7,005	\$ 419	\$ 22,864	\$ 22,862
1850	Line Transformers	\$ 480,451	\$ 70,683	\$ 409,768	\$ 533,507	\$ 38,790	\$ 494,717	\$ 115,156	30.64	3.26%	39.43	2.54%	\$ 13,374	\$ 13,473	\$ 1,280	\$ 28,126	\$ 28,069
1855	Services (Overhead & Underground)	\$ 207,871	\$ 25,980	\$ 181,891	\$ 148,554	\$ 6,793	\$ 141,761	\$ 40,519	42.29	2.36%	57.07	1.75%	\$ 4,391	\$ 2,484	\$ 338	\$ 7,123	\$ 7,123
1860	Meters	\$ 126,123	\$ 41,547	\$ 84,576	\$ -	\$ -	\$ -	\$ -	12.26	8.16%	25.00	4.00%	\$ 6,899	\$ -	\$ -	\$ 6,899	\$ 6,899
1860	Meters (Smart Meters)	\$ 735,581	\$ 407,192	\$ 328,389	\$ 293,447	\$ 53,827	\$ 239,620	\$ 54,848	4.79	20.88%	12.02	8.32%	\$ 68,557	\$ 32,133	\$ 1,828	\$ 102,519	\$ 101,728
1905	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1908	Buildings & Fixtures			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1910	Leasehold Improvements	\$ 3,959	\$ 3,959	\$ -	\$ 9,845	\$ 2,461	\$ 7,384	\$ 1,914		0.00%	7.50	13.33%	\$ -	\$ 985	\$ 96	\$ 1,080	\$ 1,080
1915	Office Furniture & Equipment (10 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1915	Office Furniture & Equipment (5 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equipment - Hardware	\$ 13,192	\$ 13,192	\$ -	\$ 176,431	\$ 137,986	\$ 38,445	\$ 31,435		0.00%	2.80	35.71%	\$ -	\$ 13,730	\$ 3,144	\$ 16,874	\$ 16,884
1920	Computer Equip.-Hardware(Post Mar. 22/04)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equip.-Hardware(Post Mar. 19/07)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1930	Transportation Equipment	\$ 333,432	\$ 333,432	\$ -	\$ 518,387	\$ 233,621	\$ 284,766	\$ -	-	0.00%	4.80	20.83%	\$ -	\$ 59,326	\$ -	\$ 59,326	\$ 59,563
1935	Stores Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1940	Tools, Shop & Garage Equipment	\$ 16,712	\$ 16,150	\$ 562	\$ 72,090	\$ 25,658	\$ 46,432	\$ 661	1.28	78.13%	6.35	15.75%	\$ 439	\$ 7,312	\$ 33	\$ 7,784	\$ 7,783
1945	Measurement & Testing Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1950	Power Operated Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ 25,511	\$ 22,960	\$ 2,551	\$ -	-	0.00%	1.00	100.00%	\$ -	\$ 2,551	\$ -	\$ 2,551	\$ 2,551
1955	Communication Equipment (Smart Meters)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1960	Miscellaneous Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1970	Load Management Controls Customer Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1975	Load Management Controls Utility Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1980	System Supervisor Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1985	Miscellaneous Fixed Assets			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1990	Other Tangible Property			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1995	Contributions & Grants			\$ -	\$ 460,298	\$ 21,558	\$ 438,740	\$ 175,615		0.00%	46.00	2.17%	\$ -	\$ 9,538	\$ 1,909	\$ 11,447	\$ 11,960
2005	Property Under Finance Lease			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
	<b>Total</b>	<b>\$ 4,411,085</b>	<b>\$ 1,330,950</b>	<b>\$ 3,080,135</b>	<b>\$ 3,973,914</b>	<b>\$ 736,561</b>	<b>\$ 3,237,353</b>	<b>\$ 597,904</b>					<b>\$ 163,363</b>	<b>\$ 194,671</b>	<b>\$ 19,787</b>	<b>\$ 377,821</b>	<b>\$ 375,896</b>

Rideau St. Lawrence Distribution Inc.  
EB-2021-0056  
Exhibit 4 – Operating Expenses  
Filed: December 1, 2021

2021		Book Values						Service Lives				Depreciation Expense					Depreciation Expense per Appendix 2-BA Fixed Assets, Column J
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1) <sup>1</sup>	Less Fully Depreciated <sup>7</sup>	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change <sup>2</sup>	Less Fully Depreciated <sup>8</sup>	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change <sup>3</sup>	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change <sup>4</sup>	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions <sup>5</sup>	Total Current Year Depreciation Expense	
		a	b	c = a-b	d	e	f = d-e	g	h	i = 1/h	j	k = 1/j	l = c/h	m = f/j	n = g*0.5/j	o = l+m+n	p
1611	Computer Software (Formally known as Account 1925)			\$ -	\$ 172,182	\$ 38,600	\$ 133,582	\$ -	-	0.00%	3.97	25.19%	\$ -	\$ 33,648	\$ -	\$ 33,648	\$ 33,671
1612	Land Rights (Formally known as Account 1906)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1805	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1808	Buildings	\$ 70,722	\$ 11,449	\$ 59,273	\$ 27,421	\$ 3,077	\$ 24,344	\$ -	36.24	2.76%	44.39	2.25%	\$ 1,636	\$ 548	\$ -	\$ 2,184	\$ 2,184
1810	Leasehold Improvements			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1815	Transformer Station Equipment >50 kV			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1820	Distribution Station Equipment <50 kV	\$ 231,743	\$ 48,318	\$ 183,425	\$ 800,953	\$ 83,419	\$ 717,534	\$ 25,000	26.56	3.77%	38.63	2.59%	\$ 6,906	\$ 18,575	\$ 278	\$ 25,758	\$ 25,760
1820	Wholesale Meters	\$ 230,366	\$ 87,495	\$ 142,871	\$ 77,577	\$ 14,098	\$ 63,479	\$ -	11.43	8.75%	20.20	4.95%	\$ 12,500	\$ 3,143	\$ -	\$ 15,642	\$ 15,642
1825	Storage Battery Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1830	Poles, Towers & Fixtures	\$ 348,484	\$ 63,596	\$ 284,888	\$ 967,936	\$ 70,553	\$ 897,383	\$ 400,900	28.29	3.53%	41.50	2.41%	\$ 10,070	\$ 21,624	\$ 4,454	\$ 36,148	\$ 36,147
1835	Overhead Conductors & Devices	\$ 1,134,524	\$ 159,203	\$ 975,321	\$ 720,181	\$ 50,158	\$ 670,023	\$ 44,000	42.90	2.33%	55.17	1.81%	\$ 22,735	\$ 12,145	\$ 367	\$ 35,246	\$ 35,245
1840	Underground Conduit	\$ 19,991	\$ 3,578	\$ 16,413	\$ 58,165	\$ 3,536	\$ 54,629	\$ 26,000	32.11	3.11%	47.00	2.13%	\$ 511	\$ 1,162	\$ 260	\$ 1,933	\$ 1,934
1845	Underground Conductors & Devices	\$ 457,934	\$ 108,063	\$ 349,871	\$ 312,681	\$ 32,885	\$ 279,796	\$ 62,000	22.66	4.41%	35.67	2.80%	\$ 15,440	\$ 7,844	\$ 775	\$ 24,059	\$ 24,056
1850	Line Transformers	\$ 480,231	\$ 83,846	\$ 396,385	\$ 646,811	\$ 52,592	\$ 594,219	\$ 116,000	29.63	3.37%	39.46	2.53%	\$ 13,378	\$ 15,059	\$ 1,289	\$ 29,725	\$ 29,726
1855	Services (Overhead & Underground)	\$ 207,871	\$ 30,281	\$ 177,590	\$ 189,072	\$ 9,615	\$ 179,457	\$ 23,600	41.29	2.42%	56.80	1.76%	\$ 4,301	\$ 3,159	\$ 197	\$ 7,657	\$ 7,657
1860	Meters	\$ 126,123	\$ 48,445	\$ 77,678	\$ -	\$ -	\$ -	\$ -	11.26	8.88%	25.00	4.00%	\$ 6,899	\$ -	\$ -	\$ 6,899	\$ 6,899
1860	Meters (Smart Meters)	\$ 730,831	\$ 472,697	\$ 258,134	\$ 335,940	\$ 75,102	\$ 260,838	\$ 65,000	3.80	26.32%	11.46	8.73%	\$ 67,930	\$ 22,761	\$ 2,167	\$ 92,857	\$ 92,902
1905	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1908	Buildings & Fixtures			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1910	Leasehold Improvements	\$ 3,959	\$ 3,959	\$ -	\$ 11,760	\$ 3,541	\$ 8,219	\$ -		0.00%	6.99	14.31%	\$ -	\$ 1,176	\$ -	\$ 1,176	\$ 1,176
1915	Office Furniture & Equipment (10 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1915	Office Furniture & Equipment (5 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equipment - Hardware	\$ 13,192	\$ 13,192	\$ -	\$ 207,866	\$ 154,870	\$ 52,996	\$ 15,000		0.00%	3.09	32.36%	\$ -	\$ 17,151	\$ 1,500	\$ 16,651	\$ 16,661
1920	Computer Equip.-Hardware(Post Mar. 22/04)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equip.-Hardware(Post Mar. 19/07)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1930	Transportation Equipment	\$ 333,432	\$ 333,432	\$ -	\$ 518,387	\$ 293,684	\$ 224,703	\$ 60,000	-	0.00%	4.12	24.27%	\$ -	\$ 54,540	\$ 7,282	\$ 61,821	\$ 60,527
1935	Stores Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1940	Tools, Shop & Garage Equipment	\$ 16,712	\$ 16,588	\$ 124	\$ 72,751	\$ 33,003	\$ 39,748	\$ 2,800	1.00	100.00%	5.39	18.55%	\$ 124	\$ 7,374	\$ 140	\$ 7,638	\$ 7,643
1945	Measurement & Testing Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1950	Power Operated Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ 25,511	\$ 25,511	\$ -	\$ 3,700		0.00%	5.00	20.00%	\$ -	\$ -	\$ 370	\$ 370	\$ 370
1955	Communication Equipment (Smart Meters)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1960	Miscellaneous Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1970	Load Management Controls Customer Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1975	Load Management Controls Utility Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1980	System Supervisor Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1985	Miscellaneous Fixed Assets			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1990	Other Tangible Property			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1995	Contributions & Grants			\$ -	\$ 635,913	\$ 33,518	\$ 602,395	\$ 400,000		0.00%	43.30	2.31%	\$ -	\$ 13,912	\$ 4,619	\$ 18,531	\$ 18,332
2005	Property Under Finance Lease			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
	<b>Total</b>	<b>\$ 4,406,115</b>	<b>\$ 1,484,142</b>	<b>\$ 2,921,973</b>	<b>\$ 4,509,281</b>	<b>\$ 910,726</b>	<b>\$ 3,598,555</b>	<b>\$ 444,000</b>					<b>\$ 162,429</b>	<b>\$ 205,995</b>	<b>\$ 14,459</b>	<b>\$ 382,883</b>	<b>\$ 381,868</b>

2022		Book Values							Service Lives				Depreciation Expense				
Account	Description	Opening Net Book Value of Existing Assets as at Date of Policy Change (Jan. 1) <sup>1</sup>	Less Fully Depreciated <sup>7</sup>	Net Amount of Existing Assets Before Policy Change to be Depreciated	Opening Gross Book Value of Assets Acquired After Policy Change <sup>2</sup>	Less Fully Depreciated <sup>8</sup>	Net Amount of Assets Acquired After Policy Change to be Depreciated	Current Year Additions	Average Remaining Life of Assets Existing Before Policy Change <sup>3</sup>	Depreciation Rate Assets Acquired After Policy Change	Life of Assets Acquired After Policy Change <sup>4</sup>	Depreciation Rate on New Additions	Depreciation Expense on Assets Existing Before Policy Change	Depreciation Expense on Assets Acquired After Policy Change	Depreciation Expense on Current Year Additions <sup>5</sup>	Total Current Year Depreciation Expense	Depreciation Expense per Appendix 2-BA Fixed Assets, Column J
		a	b	c = a-b	d	e	f = d-e	g	h	i = 1/h	j	k = 1/j	l = c/h	m = 1/j	n = g*0.5/j	o = l+m+n	p
1611	Computer Software (Formally known as Account 1925)			\$ -	\$ 164,532	\$ 64,622	\$ 99,910	\$ 5,000	-	0.00%	3.04	32.89%	\$ -	\$ 32,865	\$ 500	\$ 33,365	\$ 33,406
1612	Land Rights (Formally known as Account 1906)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1805	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1808	Buildings	\$ 70,722	\$ 13,084	\$ 57,638	\$ 27,421	\$ 3,625	\$ 23,796	\$ -	35.24	2.84%	43.39	2.30%	\$ 1,636	\$ 548	\$ -	\$ 2,184	\$ 2,184
1810	Leasehold Improvements			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1815	Transformer Station Equipment >50 kV			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1820	Distribution Station Equipment <50 kV	\$ 231,743	\$ 55,225	\$ 176,518	\$ 825,953	\$ 102,273	\$ 723,680	\$ 534,000	25.56	3.91%	37.83	2.64%	\$ 6,906	\$ 19,130	\$ 5,933	\$ 31,969	\$ 31,971
1820	Wholesale Meters	\$ 230,366	\$ 99,995	\$ 130,371	\$ 77,577	\$ 17,241	\$ 60,336	\$ -	10.43	9.59%	19.20	5.21%	\$ 12,500	\$ 3,143	\$ -	\$ 15,642	\$ 15,642
1825	Storage Battery Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1830	Poles, Towers & Fixtures	\$ 348,484	\$ 73,666	\$ 274,818	\$ 1,368,836	\$ 96,630	\$ 1,272,206	\$ 124,314	27.29	3.66%	41.67	2.40%	\$ 10,070	\$ 30,531	\$ 1,381	\$ 41,982	\$ 41,982
1835	Overhead Conductors & Devices	\$ 1,134,524	\$ 181,937	\$ 952,587	\$ 764,181	\$ 62,669	\$ 701,512	\$ 43,029	41.90	2.39%	54.47	1.84%	\$ 22,735	\$ 12,879	\$ 359	\$ 35,972	\$ 35,971
1840	Underground Conduit	\$ 19,991	\$ 4,089	\$ 15,902	\$ 84,165	\$ 4,959	\$ 79,206	\$ -	31.11	3.21%	47.08	2.12%	\$ 511	\$ 1,682	\$ -	\$ 2,194	\$ 2,194
1845	Underground Conductors & Devices	\$ 457,934	\$ 123,501	\$ 334,433	\$ 374,681	\$ 41,503	\$ 333,178	\$ -	21.66	4.62%	35.47	2.82%	\$ 15,440	\$ 9,393	\$ -	\$ 24,833	\$ 24,831
1850	Line Transformers	\$ 480,231	\$ 97,223	\$ 383,008	\$ 762,811	\$ 68,941	\$ 693,870	\$ 64,987	28.63	3.49%	39.34	2.54%	\$ 13,378	\$ 17,638	\$ 722	\$ 31,738	\$ 31,737
1855	Services (Overhead & Underground)	\$ 207,871	\$ 34,582	\$ 173,289	\$ 212,672	\$ 12,971	\$ 199,701	\$ 38,900	40.29	2.48%	56.21	1.78%	\$ 4,301	\$ 3,553	\$ 324	\$ 8,178	\$ 8,178
1860	Meters	\$ 126,123	\$ 55,344	\$ 70,779	\$ -	\$ -	\$ -	\$ -	10.26	9.75%	25.00	4.00%	\$ 6,899	\$ -	\$ -	\$ 6,899	\$ 6,899
1860	Meters (Smart Meters)	\$ 730,831	\$ 540,666	\$ 190,165	\$ 400,940	\$ 100,035	\$ 300,905	\$ 29,782	2.83	35.34%	11.10	9.01%	\$ 67,196	\$ 27,109	\$ 993	\$ 95,297	\$ 95,372
1905	Land			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1908	Buildings & Fixtures			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1910	Leasehold Improvements	\$ 3,959	\$ 3,959	\$ -	\$ 11,760	\$ 4,717	\$ 7,043	\$ -		0.00%	5.99	16.69%	\$ -	\$ 1,176	\$ -	\$ 1,176	\$ 1,176
1915	Office Furniture & Equipment (10 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1915	Office Furniture & Equipment (5 years)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equipment - Hardware	\$ 13,192	\$ 13,192	\$ -	\$ 222,866	\$ 173,531	\$ 49,335	\$ 19,000		0.00%	2.88	34.72%	\$ -	\$ 17,130	\$ 1,900	\$ 19,030	\$ 19,009
1920	Computer Equip.-Hardware(Post Mar. 22/04)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1920	Computer Equip.-Hardware(Post Mar. 19/07)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1930	Transportation Equipment	\$ 333,432	\$ 333,432	\$ -	\$ 578,387	\$ 354,210	\$ 224,177	\$ 60,000		0.00%	3.56	28.09%	\$ -	\$ 62,971	\$ 6,000	\$ 68,971	\$ 69,012
1935	Stores Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1940	Tools, Shop & Garage Equipment	\$ 16,712	\$ 16,712	\$ -	\$ 75,551	\$ 40,522	\$ 35,029	\$ 10,000		0.00%	4.65	21.51%	\$ -	\$ 7,533	\$ 500	\$ 8,033	\$ 8,038
1945	Measurement & Testing Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1950	Power Operated Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1955	Communications Equipment	\$ -	\$ -	\$ -	\$ 29,211	\$ 25,881	\$ 3,330	\$ -		0.00%	4.50	22.22%	\$ -	\$ 740	\$ -	\$ 740	\$ 740
1955	Communication Equipment (Smart Meters)			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1960	Miscellaneous Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1970	Load Management Controls Customer Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1975	Load Management Controls Utility Premises			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1980	System Supervisor Equipment			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1985	Miscellaneous Fixed Assets			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1990	Other Tangible Property			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
1995	Contributions & Grants			\$ -	\$ 936,177	\$ 50,742	\$ 885,435	\$ 200,000		0.00%	43.12	2.32%	\$ -	\$ 20,534	\$ 2,319	\$ 22,853	\$ 24,974
2005	Property Under Finance Lease			\$ -			\$ -			0.00%		0.00%	\$ -	\$ -	\$ -	\$ -	
	<b>Total</b>	<b>\$ 4,406,115</b>	<b>\$ 1,646,607</b>	<b>\$ 2,759,508</b>	<b>\$ 5,045,367</b>	<b>\$ 1,123,588</b>	<b>\$ 3,921,779</b>	<b>\$ 729,012</b>					<b>\$ 161,571</b>	<b>\$ 227,486</b>	<b>\$ 16,293</b>	<b>\$ 405,350</b>	<b>\$ 403,368</b>

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

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

Table 4.32 below shows a comparison of Depreciation Rates that were approved in the Applicant's last Cost of Service rate application (EB-2011-0274) and the Proposed Changes.

**Table 4.32: Comparison of Depreciation Rates**

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

Table 4.33 below, consistent with Board Appendix 2-BB, provides a summary of the life comparison between RSL's selected useful lives and those provided in Table F-1of the Kinectrics Report.

**Table 4.33: Appendix 2-BB Service Life Comparison**

**Appendix 2-BB**  
**Service Life Comparison**  
**Table F-1 from Kinetrics Report<sup>1</sup>**

Parent*	#	Asset Details			Useful Life			USoA Account Number	USoA Account Description	Current		Proposed		Outside Range of Min, Max TUL?	
		Category  Component   Type			MIN UL	TUL	MAX UL			Years	Rate	Years	Rate	Below Min TUL	Above Max TUL
OH	1	Fully Dressed Wood Poles	Overall		35	45	75	1830	Poles, Towers and Fixture - Fully Dressed Wood Poles	45	2%	45	2%	No	No
			Cross Arm	Wood	20	40	55								
				Steel	30	70	95								
	2	Fully Dressed Concrete Poles	Overall		50	60	80								
			Cross Arm	Wood	20	40	55								
				Steel	30	70	95								
	3	Fully Dressed Steel Poles	Overall		60	60	80								
			Cross Arm	Wood	20	40	55								
				Steel	30	70	95								
	4	OH Line Switch			30	45	55								
	5	OH Line Switch Motor			15	25	25								
TS & MS	6	OH Line Switch RTU			15	20	20								
	7	OH Integral Switches			35	45	60								
	8	OH Conductors			50	60	75	1835	Overhead Conductors & Devices	60	2%	60	2%	No	No
	9	OH Transformers & Voltage Regulators			30	40	60	1850	Line Transformers	45	2%	45	2%	No	No
	10	OH Shunt Capacitor Banks			25	30	40								
	11	Reclosers			25	40	55								
	12	Power Transformers	Overall		30	45	60	1820	Distribution Station Equipment - Substat	45	2%	45	2%	No	No
			Bushing		10	20	30								
			Tap Changer		20	30	60								
	13	Station Service Transformer			30	45	55								
	14	Station Grounding Transformer			30	40	40								
UG	15	Station DC System	Overall		10	20	30								
			Battery Bank		10	15	15								
			Charger		20	20	30								
	16	Station Metal Clad Switchgear	Overall		30	40	60	1820	Distribution Station Equipment - Switchg	40	3%	40	3%	No	No
			Removable Breaker		25	40	60								
	17	Station Independent Breakers			35	45	65								
	18	Station Switch			30	50	60								
	19	Electromechanical Relays			25	35	50								
	20	Solid State Relays			10	30	45								
	21	Digital & Numeric Relays			15	20	20								
	22	Rigid Busbars			30	55	60								
UG	23	Steel Structure			35	50	90								
	24	Primary Paper Insulated Lead Covered (PILC) Cables			60	65	75								
	25	Primary Ethylene-Propylene Rubber (EPR) Cables			20	25	25								
	26	Primary Non-Tree Retardant (TR) Cross Linked Polyethylene (XLPE) Cables Direct Buried			20	25	30								
	27	Primary Non-TR XLPE Cables in Duct			20	25	30								
	29	Primary TR XLPE Cables in Duct			35	40	55	1845	Underground Conductors & Devices	40	3%	40	3%	No	No
	30	Secondary PILC Cables			70	75	80								
	31	Secondary Cables Direct Buried			25	35	40								
	32	Secondary Cables in Duct			35	40	60	1855	Services	60	2%	60	2%	No	No
	33	Network Transformers	Overall		20	35	50								
			Protector		20	35	40								
S	34	Pad-Mounted Transformers			25	40	45	1850	Line Transformers	45	2%	45	2%	No	No
	35	Submersible/Vault Transformers			25	35	45								
	36	UG Foundation			35	55	70	1840	Underground Conduit	50	2%	50	2%	No	No
	37	UG Vaults	Overall		40	60	80								
			Roof		20	30	45								
	38	UG Vault Switches			20	35	50								
	39	Pad-Mounted Switchgear			20	30	45								
	40	Ducts			30	50	85								
	41	Concrete Encased Duct Banks			35	55	80								
	42	Cable Chambers			50	60	80								
	43	Remote SCADA			15	20	30								

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

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

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

### **Standard: IAS 16 – Property, Plant and Equipment**

#### Topic: Componentization and Depreciation

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

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

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

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

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

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

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

#### Topic: Capitalization – Overheads

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

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

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

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

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

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

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

**Practices:**

Directly Attributable:

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

Payroll Burden:

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

Vehicle Burden:

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

Under IFRS, the following costs will not be capitalized:

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

RSL has not changed its depreciation policy in the years since its last Cost of Service Application in 2016.

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

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

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

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

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

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

RSL has used the OEB Tax Work Form model to calculate the amount of taxes for inclusion in its 2022 rates. PILs have been calculated under MIFRS accounting policies.

Table 4.34 summarizes RSL’s taxes for the 2016, 2017, and 2018, 2019, 2020 Historical Years, 2021 Bridge Year and 2022 Test Year.

The Capital Cost Allowance (‘CCA’) shown in Table 4.34 and the PILs model for the historical year (2020) reflects the accelerated CCA for new additions. The calculations for 2021 Bridge and 2022 Test PILs include the accelerated CCA.

Tax savings from the accelerated CCA have been recorded in account 1592. 50% of the tax savings will be refunded to RSL customers through a rate rider if the disposition of the account is approved in this application. Further detail about the history of account 1592 is available Exhibit 9.

Due to the accelerated CCA, RSL has a loss carry-forward. This amount will be reduced by future profitability and taxable income.

The PILs Model is attached in this Exhibit as Attachment 4.1 and included in the submission in live Excel format.

**Table 4.34: Tax Provision for the Test Year**

						Bridge	Test
	2016	2017	2018	2019	2020	2021	2022
Net Income Before Tax	\$ 114,854	\$ 83,267	\$ 181,005	\$ 212,019	\$ 238,693	\$ 64,181	\$ 272,867
Plus: Depreciation	364,321	427,050	407,196	386,765	375,155	400,200	428,342
Gain/Loss on disposal of assets	5,505	268	8,614	7,731	4,346	-	-
Capital Cost Allowance	- 494,250	- 567,082	- 634,356	- 669,012	- 705,934	- 649,668	- 674,862
Change in Employee Future Benefits	1,363	1,382	1,103	1,135	1,495	321	- 1,272
Other non-deductible expenses					1,119		
Taxable Income	-\$ 8,207	-\$ 55,115	-\$ 36,438	-\$ 61,362	-\$ 85,126	-\$184,966	\$ 25,075
Applied Loss Carried Forward	-	-	-	-	-	-	- 25,075
Provision for PILs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

RSL pays property taxes to the Town of Prescott for its office building and municipal substations. RSL pays property taxes to the Municipality of South Dundas and the Township of Edwardsburgh/Cardinal for municipal substations. In addition, RSL pays a Payment in Lieu of Property Tax to the Ministry of Finance. Table 4.35 shows RSL's payments for property taxes from 2016 to 2021, plus the amount proposed in this application. The costs are recorded in account 6105, and are not included in RSL's OM&A.

**Table 4.35: Summary of Property Taxes**

	2016	2017	2018	2019	2020	Bridge 2021	Test 2022
Prescott	\$ 12,973	\$ 13,513	\$ 34,321	\$ 24,802	\$ 26,563	\$ 23,856	\$ 24,000
South Dundas	2,568	2,369	2,352	2,307	2,265	2,268	2,500
Edwardsburgh/Cardinal	763	668	661	651	654	647	700
Ministry of Finance	1,882	1,888	1,699	1,486	1,349	1,425	1,500
	\$ 18,186	\$ 18,438	\$ 39,033	\$ 29,246	\$ 30,831	\$ 28,196	\$ 28,700

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

The utility's latest Provincial tax return is presented at Appendix 4.2.

The utility's latest Federal tax return is presented at Appendix 4.3.

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

RSL is not claiming any Tax Credits in this application.

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

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

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

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

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

# Conservation and Demand Side Management

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

Conservation and Demand Management (CDM) programs for electricity distributors were first approved by the OEB in 2004 and have expanded since becoming a more important part of the energy policy in Ontario. The Board developed and issued the CDM Code for Electricity Distributors (the CDM Code) on September 16, 2010, to support the CDM framework. The CDM Code sets out the obligations along with requirements, which electricity distributors must comply with in relation to the CDM targets set out in their licenses for January 1, 2011 to December 31, 2014, CDM target period. The CDM Code was created in response to a Directive dated March 31, 2010, by the Minister of Energy and Infrastructure pursuant to sections 27.1 and 27.2 of the Ontario Energy Board Act, 1998. Section 12 of the Directive states that lost revenues that result from CDM programs should not act as a disincentive to a distributor. The Board issued detailed guidelines on the lost revenue adjustment mechanism (LRAM) related to CDM programs implemented under the CDM code. RSL calculated the LRAM Variance Account balance (LRAMVA) in compliance with the requirements set out in the following guidelines issued by the Board.

The Guideline for Electricity Distributor Conservation and Demand Management (EB-2012-003, the 2012 CDM Guidelines), dated April 26, 2012, describes the mechanism to capture the difference between the results of actual verified impacts of authorized CDM activities undertaken by the distributor between 2011 and 2014 and the level of activities embedded into rates through the distributor's load forecast. This guideline also describes the establishment of the LRAM Variance Account and the method to record the related lost revenues.

The Conservation and Demand Management Requirement Guidelines for Electricity Distributors (EB-2014-0278, the 2015 CDM Guidelines), issued by the OEB on December 19, 2014, are applicable to CDM programs beginning January 1, 2015. These guidelines require distributors to continue to rely on the LRAMVA to track and dispose of lost revenues that result from approved CDM programs between 2015 and 2020.

The Report of the OEB, Updated Policy for the Lost Revenue Adjustment Mechanism Calculation: Lost Revenues and Peak Demand Savings from Conservation and Demand Management Programs (EB-2016-0182 – the LRAMVA Report), issued on May 19, 2016,

outlines the OEB's policy with respect to the treatment of peak demand savings for the LRAM Variance Account calculation for demand billed customers.

In March 2019, the Minister of Energy, Northern Development and Mines directed the Independent Electricity System Operator (IESO) to discontinue the current 2015-2020 Conservation First Framework and implement a new interim framework, in support of the government's goal to reduce electricity costs for customers. The change meant the IESO will centrally deliver energy efficiency programs on a province-wide basis with a focus on business and industrial programs beginning April 1, 2019. RSL expects that new CDM programs will continue to be implemented in the Bridge Year (2021) and Test Year (2022) but the related information is beyond the Utility's control. As such, RSL's load forecast for the 2021 Bridge Year and 2022 Test Year was not manually adjusted for CDM in this Application. Please see Ex.3/Tab 1/Sch.11 for more information.

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

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

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

### **Background**

The Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) is a retrospective adjustment designed to account for differences between forecast revenue loss attributable to Conservation and Demand Management (CDM) activity embedded in rates and actual revenue loss due to the impacts of CDM programs.

The OEB established Account 1568 as the LRAMVA to capture the difference between the OEB approved CDM forecast and actual results at the customer rate class level.

In accordance with the Board's Guidelines for Electricity Distributor Conservation and Demand Management (EB-2012-0003) issued April 26, 2012, at minimum, distributors must apply for disposition of the balance in the LRAMVA at the time of their Cost of Service rate applications. Distributors may apply for the disposition of the balance of the LRAMVA in IRM rate applications if the balance is deemed significant by the applicant. All requests for the disposition of the LRAMVA must be made together with the carrying charges.

RSL has determined the LRAM amount in accordance with:

- Board's 2012 CDM Guidelines,
- 2015 CDM Guidelines,
- 2016 Updated Policy for the calculation of LRAMVA in respect of peak demand savings,
- Chapter 3 of the Filing Requirements for Electricity Distribution Rate Applications for 2022 rates.

### **Period of New LRAMVA**

RSL filed an IRM rate application (EB-2019-0066) and claimed the LRAMVA balance as of December 31, 2018. No LRAMVA was claimed in RSL's 2021 IRM. This application claims 2019 LRAMVA resulting from 2019 new programs and persistence savings from 2016-2018 programs.

### Sources of Actual Savings

The LRAMVA historically has been based on the Final Verified Annual Results published by the IESO. However, the Ministry of Energy, Northern Development and Mines' decision on March 20, 2019 to conclude the Conservation First Framework (CFF) led to the IESO not issuing verified CDM results effective immediately.

To obtain the data for period of 2017 - 2019 used in this filing, RSL relied on the following documents that were provided by the IESO to get the Net Energy Savings and Net Demand Savings by program, as well as third party's evaluation reports,

- IESO's 2017 Final Results Report,
- Program Participation & Cost Report from January 1, 2018 to March 31, 2019,
- Detailed Project Level Savings File, and
- Third party (Burman Energy) evaluation reports for projects not included in the above documents.

### LRAMVA Calculation

As consistent with RSL 2016 COS application (EB-2015-0100) the actual savings for 2016 from 2016 IESO Final Results Report has been used as the threshold for LARMVA calculation since RSL's 2020 IRM (EB-2019-0066), The 2016 IESO Final Results Report is filed in Excel format as a part of this application.

RSL has used the 2022 LRAMVA Work Form 6.0 to complete the calculation of the LRAMVA which amounts to \$21,500. The work form is filed as working Microsoft Excel files as directed by the Board in the Chapter 3 Filing Requirements. RSL has not included peak demand (kW) savings from Demand Response programs in its lost revenue calculation in accordance with the Board's 2016 Updated Policy on the calculation of peak demand savings.

In accordance with the Chapter 3 Filing Requirements, RSL is confirming that:

- RSL has used the most recent input assumptions available at the time of the program evaluation when calculating the lost revenue amount; and
- RSL has relied on the most recent and appropriate final CDM evaluation report from the IESO, the Participation and Cost report, and the Detailed Project Level Savings file, in support of the lost revenue calculation.
- The IESO's 2017 Final Verified Annual LDC CDM Program Results Report, and the Participation and Cost report are filed as attachments respectively. The Detailed Project Level Savings file and the third party evaluation reports have not been submitted with this filing due to the sensitivity of privacy information of our customers listed in the file. Should this file be required RSL will submit with confidentiality at the OEB's request.

#### Reduction in Street Lighting

The Municipality of South Dundas replaced their old streetlights with new LED lights in Morrisburg, Williamsburg, and Iroquois in 2014. Similar projects were completed in the Village of Cardinal in 2015, the town of Prescott in 2016 and the village of Westport in 2019. The savings in 2018 and prior years were claimed in 2019 IRM (EB 2018-0065) and 2020 IRM (EB-2019-0066). In this Application, RSL is claiming LRAM for Street Lighting projects completed in Westport in 2019 and persistence savings from the project in Prescott installed in 2016.

RSL is confirming that 2016 actual billing reduction adjusted for the net/gross ratio is used for the threshold for Street Lighting. The same threshold was used in RSL's 2019 IRM.

In accordance with the Chapter 3 Filing Requirement, RSL is confirming that:

- The street light upgrades represent incremental savings attributable to participation in the IESO Retrofit program. All savings are attributable to IESO programs. A net to gross ratio is applied to the billing reduction to reflect the net reduction used in the calculation of lost revenue. The savings were calculated in accordance with OEB approved load profiles for Street Lighting projects.

- The associated energy savings from the applicable IESO program (retrofit) have been removed from the LRAMVA work forms.

RSL has received reports from the participating municipalities that validate the number and type of bulbs replaced or retrofitted through the IESO program.

The 2019 reduction in kW for street lighting is shown in Table 4.36, which is consistent with tab 8 “Streetlight” of the LRAMVA Work Form. A net to gross ratio was applied to the billing reduction to reflect the net reduction used in the calculation of lost revenue.

**Table 4.36: Street Lighting Savings**

				Billed KW			
Customer Account	101125	Prescott				2030020-1	Westport
Year	2015	2016	2017	2018	2019	2018	2019
January	111.76	111.76	48.93	48.93	48.93	22.34	22.34
February	111.76	111.76	48.93	48.93	48.93	22.34	22.34
March	111.76	111.76	48.93	48.93	48.93	22.34	22.34
April	111.76	48.93	48.93	48.93	48.93	22.34	22.34
May	111.76	48.93	48.93	48.93	48.93	22.34	22.34
June	111.76	48.93	48.93	48.93	48.93	22.34	22.34
July	111.76	48.93	48.93	48.93	48.93	22.34	22.34
August	111.76	48.93	48.93	48.93	48.93	22.34	22.34
September	111.76	48.93	48.93	48.93	48.93	22.34	22.34
October	111.76	48.93	48.93	48.93	48.93	22.34	22.34
November	111.76	48.93	48.93	48.93	48.93	22.34	6.28
December	111.76	48.93	48.93	48.93	48.93	22.34	6.28
Total	1,341	776	587	587	587	268	236
Savings (kW)		565	754	754	754		32
2019	Actual savings		Threshold		kW Savings for LRAMVA		
Gross Reduction, kW	786		565				
NTG	0.74		0.74				
Net Reduction, kW	582		418			163	

### Carrying Charges of LRAMVA

RSL has calculated carrying charges on the LRAM amounts from January 1, 2019 to December 31, 2021 in the LRAMVA work form using the OEB's prescribed interest rates as shown in Table 4.37 and also are provided in Tab 6. "Carrying Charges" of the LRAMVA work form.

**Table 4.37: Interest Rates for Carrying Charges**

Period of Time	Type	Interest Rate
2018 Q1	Prescribed	1.5%
2018 Q2 - Q3	Prescribed	1.89%
2018 Q4	Prescribed	2.17%
2019 Q1	Prescribed	2.45%
2019.Q2 - 2020 Q2	Prescribed	2.18%
2020 Q3 - 2021 Q4	Prescribed	0.57%

### Principal Balance of LRAMVA

The total amount requested for disposition is a recovery of \$21,500 representing a principal balance of \$20,884 and carrying charges of \$616. RSL has provided a summary of the lost revenue calculations for each rate class in Table 4.38, which is consistent with Tab 1 "LRAMVA Summary" of the LRAMVA work form.

**Table 4.38: LRAMVA by Rate Class**

2019	Billing Unit	Actual Savings	CDM Threshold	Variance	Average Rate	LRAMVA \$	Carrying Charge	Total \$
Residential	kWh	1,215,444	334,349.00	881,095	0.0055	4,846	143	4,989
GS < 50 kW	kWh	1,104,264	206,130.59	898,134	0.0112	10,059	297	10,356
GS 50 to 4,999 kW	kW	1,740.76	44.57	1,696	2.2777	3,863	114	3,977
Street Lighting	kW	582	418	163	12.9607	2,116	62	2,178
<b>Total</b>						<b>20,884</b>	<b>616</b>	<b>21,500</b>

### LRAMVA Rate Rider

RSL is proposing disposition for Account 1568 LRAMVA over 1 year through LRAMVA Rate Riders, effective from January 1, 2022 to December 31, 2022 . The proposed rate riders that result from the disposition of the Account, are identified in Table 4.39 below and included in Tab 7 “Calculation of Def-Var RR” in Deferral and Variance Model. The rate class allocation is calculated in the LRAMVA Work Form

**Table 4.39: LRAMVA Rate Rider**

	Billing Unit	Billing Determinant	Allocated Account 1568 Balance	Rate Rider for Account 1568
Residential	kWh	42,538,789	4,988.97	0.0001
GS < 50 kW	kWh	20,252,449	10,356	0.0005
GS 50 to 4,999 kW	kW	112,493	3,977.39	0.0354
Street Lighting	kW	1,939	2,178	1.1234
<b>Total</b>			<b>21,500</b>	

## Appendix

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### List of Appendices

Appendix 4.1	Income Tax/PILs Workform for 2022 Filers
Appendix 4.2	2020 Provincial Tax Return
Appendix 4.3	2020 Federal Tax Return

## Appendix 4.1 – Income Tax/PILs Workform for 2022 Filers



Ontario Energy Board

# Income Tax/PILs Workform for 2022 Filers

Version 1.00

Utility Name	Rideau St. Lawrence Distribution Inc.
Assigned EB Number	EB-2021-0056
Name and Title	Peter Soules, Chief Financial Officer
Phone Number	613-925-3851
Email Address	psoules@rslu.ca
Date	15-Oct-21
Last COS Re-based Year	2016

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.*



Ontario Energy Board

# Income Tax/PILs Workform for 2022 Filers

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

## Historical Year

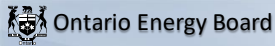
[H0 - PILs, Tax Provision Historical Year](#)  
[H1 - Adj. Taxable Income Historical Year](#)  
[H4 - Schedule 4 Loss Carry Forward Historical Year](#)  
[H8 - Schedule 8 Historical](#)  
[H13 - Schedule 13 Tax Reserves Historical](#)

## 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](#)  
[B13 - Schedule 13 Tax Reserves Bridge Year](#)

## Test Year

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



## Income Tax/PILs Workform for 2022 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	-272,867
Test Year - Payments in Lieu of Taxes (PILs)	T0	-
Test Year - Grossed-up PILs	T0	-
Effective Federal Tax Rate	T0	0.0%
Effective Ontario Tax Rate	T0	0.0%
<u>Calculation of Adjustments required to arrive at Taxable Income</u>		
Regulatory Income (before income taxes)	T1	272,867
Taxable Income	T1	0
Difference	calculated	-272,867 as above

## Income Tax/PILs Workform for 2022 Filers

### Integrity Checks

The applicant must ensure the following integrity checks have been completed and confirm this is the case in the table below, or provide an explanation if this is not the case:

Item	Utility Confirmation (Y/N)	Notes
1 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	Y	For CCA purposes, did not include Deferred Revenue/Contributed Capital
2 The capital additions and deductions in the CCA Schedule 8 agree with the rate base section for historical, bridge and test years	Y	
3 Schedule 8 of the most recent federal T2 tax return filed with the application has a closing December 31 historical year UCC that agrees with the opening (January 1) bridge year UCC. If the amounts do not agree, then the applicant must provide a reconciliation with explanations. Distributors must segregate non-distribution tax amounts on Schedule 8.	Y	
4 The CCA deductions in the application's PILs tax model for historical, bridge and test years (as applicable) agree with the numbers in the CCA Schedule 8 for the same years filed in the application	Y	
5 Loss carry-forwards, if any, from prior year tax returns' Schedule 4 agree with those disclosed in the application	Y	
6 A discussion is included in the application as to when the loss carry-forwards, if any, will be fully utilized	Y	
7 CCA is maximized even if there are tax loss carry-forwards	Y	
8 Other post-employment benefits and pension expenses that are added back on Schedule 1 to reconcile accounting income to net income for tax purposes agree with the OM&A analysis for compensation. The amounts deducted are reasonable when compared with the notes to the audited financial statements, Financial Services Commission of Ontario reports, and actuarial valuations.	Y	The amounts on the tax return are different from what is shown in OM&A. The tax return includes interest and payments for benefits delivered. The variance is small.
9 The income tax rate used to calculate the tax expense is consistent with the utility's actual tax facts and evidence filed in the application	Y	



Ontario Energy Board

# Income Tax/PILs Workform for 2022 Filers

		Test Year	Bridge Year	
<b>Rate Base</b>		<b>\$ 7,877,232</b>	<b>\$ 7,655,721</b>	
				0
<b>Return on Ratebase</b>				
Deemed ShortTerm Debt %	4.00%	T \$ 315,089	W = S * T	
Deemed Long Term Debt %	56.00%	U \$ 4,411,250	X = S * U	
Deemed Equity %	40.00%	V \$ 3,150,893	Y = S * V	
Short Term Interest Rate	1.17%	Z \$ 3,687	AC = W * Z	
Long Term Interest	3.69%	AA \$ 162,572	AD = X * AA	
<b>Return on Equity (Regulatory Income)</b>	8.66%	AB \$ 272,867	AE = Y * AB	<a href="#">T1</a>
<b>Return on Rate Base</b>		<b>\$ 439,125</b>	AF = AC + AD + AE	

## Questions that must be answered

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

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



Ontario Energy Board

# Income Tax/PILs Workform for 2022 Filers

## Tax Rates

### Federal & Provincial As of MMM XX, 2019

#### 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 Limit  
Ontario Small Business Limit

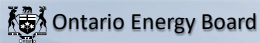
Federal Small Business Rate

Ontario Small Business Rate

	Effective January 1, 2016	Effective January 1, 2017	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020	Effective January 1, 2021	Effective January 1, 2022
General Corporate Rate	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%
Federal Tax Abatement	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%
Adjusted Federal Rate	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%
Rate Reduction	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%
Federal Income Tax	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Ontario Income Tax	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%
Combined Federal and Ontario	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
Federal Small Business Limit	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Ontario Small Business Limit	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Federal Small Business Rate	11.00%	10.50%	10.50%	10.00%	9.00%	9.00%	9.00%
Ontario Small Business Rate	4.50%	4.50%	3.50%	3.50%	3.20%	3.20%	3.20%

## Notes

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



## Income Tax/PILs Workform for 2022 Filers

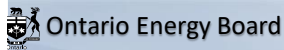
### PILs Tax Provision - Historical Year

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

<b>Regulatory Taxable Income</b>					
<b>Combined Tax Rate and PILs</b>	Ontario Tax Rate (Maximum 11.5%)	3.20%	B		
	Federal tax rate (Maximum 15%)	9.00%	C		
	Combined tax rate (Maximum 26.5%)				
<b>Total Income Taxes</b>					
Investment Tax Credits					
Miscellaneous Tax Credits					
<b>Total Tax Credits</b>					
<b>Corporate PILs/Income Tax Provision for Historical Year</b>					

<b>Wires Only</b>	
- \$	246,248 A
	12.20% D = B+C
- \$	30,042 E = A * D
	F
	G
\$	- H = F + G
\$	- I = E - H



## Income Tax/PILs Workform for 2022 Filers

### Adjusted Taxable Income - Historical Year

	T2S1 line #	Total for Legal Entity	Non-Distribution Eliminations	Historic Wires Only
<b>Income before PILs/Taxes</b>	<b>(A + 101 + 102)</b>	238,693		238,693
<b>Additions:</b>				
Interest and penalties on taxes	103			0
Amortization of tangible assets	104	375,155		375,155
Amortization of intangible assets	106			0
Recapture of capital cost allowance from Schedule 8	107			0
Income inclusion under subparagraph 13(38)(d)(iii) from Schedule 10	108			0
Loss in equity of subsidiaries and affiliates	110			0
Loss on disposal of assets	111	4,346		4,346
Charitable donations and gifts from Schedule 2	112			0
Taxable capital gains from Schedule 6	113			0
Political contributions	114			0
Deferred and prepaid expenses	116			0
Scientific research expenditures deducted on financial statements	118			0
Capitalized interest	119			0
Non-deductible club dues and fees	120			0
Non-deductible meals and entertainment expense	121	1,119		1,119
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 the end of the year	126			0
Soft costs on construction and renovation of buildings	127			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
<b>Other additions</b>				
Interest Expensed on Capital Leases	295			0
Realized Income from Deferred Credit Accounts	295			0
Pensions	295			0
Non-deductible penalties	295			0
Change in future employee benefits	295	1,495		1,495
	295			0
ARO Accretion expense				0
Capital Contributions Received (ITA 12(1)(x))				0
Lease Inducements Received (ITA 12(1)(x))				0
Deferred Revenue (ITA 12(1)(a))				0
Prior Year Investment Tax Credits received				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
<b>Total Additions</b>		382,115	0	382,115

<b>Deductions:</b>				
Gain on disposal of assets per financial statements	401			0
Non-taxable dividends under section 83	402			0
Capital cost allowance from Schedule 8	403	705,934		705,934
Terminal loss from Schedule 8	404			0
Allowable business investment loss	406			0
Deferred and prepaid expenses	409			0
Scientific research expenses claimed in year	411			0
Tax reserves claimed in current year	413			0
Reserves from financial statements - balance at beginning of year	414			0
Contributions to deferred income plans	416			0
Book income of joint venture or partnership	305			0
Equity in income from subsidiary or affiliates	306			0
<b>Other deductions</b>				
Interest capitalized for accounting deducted for tax	395			0
Capital Lease Payments	395			0
Non-taxable imputed interest income on deferral and variance accounts	395			0
	395			0
	395			0
ARO Payments - Deductible for Tax when Paid				0
ITA 13(7.4) Election - Capital Contributions Received				0
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds				0
Deferred Revenue - ITA 20(1)(m) reserve				0
Principal portion of lease payments				0
Lease Inducement Book Amortization credit to income				0
Financing fees for tax ITA 20(1)(e) and (e.1)				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
<b>Total Deductions</b>		<b>705,934</b>	<b>0</b>	<b>705,934</b>
<b>Net Income for Tax Purposes</b>		<b>-85,126</b>	<b>0</b>	<b>-85,126</b>
Charitable donations from Schedule 2	311			0
Taxable dividends received under section 112 or 113	320			0
Non-capital losses of previous tax years from Schedule 4	331	161,122		161,122
Net capital losses of previous tax years from Schedule 4	332			0
Limited partnership losses of previous tax years from Schedule 4	335			0
<b>TAXABLE INCOME</b>		<b>-246,248</b>	<b>0</b>	<b>-246,248</b>

H0



Ontario Energy Board

# Income Tax/PILs Workform for 2022 Filers

## Schedule 4 Loss Carry Forward - Historical

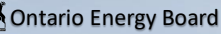
### Corporation Loss Continuity and Application

	Total	Non-Distribution Portion	Utility Balance
<b>Non-Capital Loss Carry Forward Deduction</b>			
Actual Historical	161,122	0	161,122

[B4](#)

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

[B4](#)



# Income Tax/PILs Workform for 2022 Filers

### Schedule 8 - Historical Year

<b>Class</b>	<b>Class Description</b>	<b>UCC End of Year Historical per tax returns</b>	<b>Less: Non-Distribution Portion</b>	<b>UCC Regulated Historical Year</b>	<b>Working Paper Reference</b>
1	Buildings, Distribution System (acq'd post 1987)	\$ 2,799,143		\$ 2,799,143	B8
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]			\$ -	B8
2	Distribution System (acq'd pre 1988)			\$ -	B8
3	Buildings (acq'd pre 1988)			\$ -	B8
6	Certain Buildings; Fences			\$ -	B8
8	General Office Equipment, Furniture, Fixtures	\$ 39,455		\$ 39,455	B8
10	Motor Vehicles, Fleet	\$ 158,132		\$ 158,132	B8
10.1	Certain Automobiles			\$ -	B8
12	Computer Application Software (Non-Systems)			\$ -	B8
13 <sub>1</sub>	Lease # 1			\$ -	B8
13 <sub>2</sub>	Lease # 2			\$ -	B8
13 <sub>3</sub>	Lease # 3			\$ -	B8
13 <sub>4</sub>	Lease # 4			\$ -	B8
14	Limited Period Patents, Franchises, Concessions or Licences			\$ -	B8
14.1	Eligible Capital Property (acq'd pre 2017)			\$ -	B8
14.1	Eligible Capital Property (acq'd post 2016)			\$ -	B8
17	Elec. Generation Equip. (Non-Bldg, acq'd post Feb 27/00); Roads, Lots, Storage			\$ -	B8
42	Fibre Optic Cable			\$ -	B8
43.1	Certain Clean Energy/Energy-Efficient Generation Equipment			\$ -	B8
43.2	Certain Clean Energy/Energy-Efficient Generation Equipment			\$ -	B8
45	Computers & System Software (acq'd post Mar 22/04 and pre Mar 19/07)	\$ 1,794		\$ 1,794	B8
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	\$ 32		\$ 32	B8
47	Distribution System (acq'd post Feb 22/05)	\$ 4,110,099		\$ 4,110,099	B8
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	\$ 36,222		\$ 36,222	B8
95	CWIP			\$ -	B8
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
				\$ -	
	SUB-TOTAL - UCC	7,144,877	0	7,144,877	



Ontario Energy Board

# Income Tax/PILs Workform for 2022 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	<a href="#">B13</a>
<b>Tax reserves not deducted for accounting purposes</b>				
Reserve for doubtful accounts ss. 20(1)(l)			0	<a href="#">B13</a>
Reserve for undelivered goods and services not rendered ss. 20(1)(m)			0	<a href="#">B13</a>
Reserve for unpaid amounts ss. 20(1)(n)			0	<a href="#">B13</a>
Debt & share issue expenses ss. 20(1)(e)			0	<a href="#">B13</a>
Other tax reserves			0	<a href="#">B13</a>
			0	
			0	
			0	
			0	
			0	
<b>Total</b>	0	0	0	
<b>Financial Statement Reserves (not deductible for Tax Purposes)</b>				
General reserve for inventory obsolescence (non-specific)			0	<a href="#">B13</a>
General reserve for bad debts			0	<a href="#">B13</a>
Accrued Employee Future Benefits:			0	<a href="#">B13</a>
- Medical and Life Insurance			0	<a href="#">B13</a>
-Short & Long-term Disability			0	<a href="#">B13</a>
-Accumulated Sick Leave			0	<a href="#">B13</a>
- Termination Cost			0	<a href="#">B13</a>
- Other Post-Employment Benefits			0	<a href="#">B13</a>
Provision for Environmental Costs			0	<a href="#">B13</a>
Restructuring Costs			0	<a href="#">B13</a>
Accrued Contingent Litigation Costs			0	<a href="#">B13</a>
Accrued Self-Insurance Costs			0	<a href="#">B13</a>
Other Contingent Liabilities			0	<a href="#">B13</a>
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)			0	<a href="#">B13</a>
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)			0	<a href="#">B13</a>
Other			0	<a href="#">B13</a>
			0	
			0	
<b>Total</b>	0	0	0	

# Income Tax/PILs Workform for 2022 Filers

## PILS Tax Provision - Bridge Year

### Regulatory Taxable Income

	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate	
Ontario (Max 11.5%)	11.5%	3.2%	-\$ 5,919	3.2%	<b>B</b>
Federal (Max 15%)	15.0%	9.0%	-\$ 16,647	9.0%	<b>C</b>
Combined effective tax rate (Max 26.5%)					

### Total Income Taxes

Investment Tax Credits  
Miscellaneous Tax Credits

### Total Tax Credits

### Corporate PILs/Income Tax Provision for Bridge Year

**Wires Only**  
Reference **B1**

-\$	184,966
-----	---------

**A**

12.20%
--------

**D = B + C**

\$	-
----	---

**E = A \* D**

--

**F**

--

**G**

\$	-
----	---

**H = F + G**

\$	-
----	---

**I = E - H**

### Note:

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

	T2S1 line #	Working Paper Reference	Total for Regulated Utility
Income before PILs/Taxes	(A + 101 + 102)		64,181
<b>Additions:</b>			
Interest and penalties on taxes	103		
Amortization of tangible assets	104		400,200
Amortization of intangible assets	106		
Recapture of capital cost allowance from Schedule 8	107	B8	0
Income inclusion under subparagraph 13(38)(d)(iii)	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 and gifts from Schedule 2	112		
Taxable capital gains	113		
Political contributions	114		
Deferred and prepaid expenses	116		
Scientific research expenditures deducted on financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expense	121		
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves deducted in prior year	125	B13	0
Reserves from financial statements- balance at end of year	126	B13	0
Soft costs on construction and renovation of buildings	127		
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		
<b>Other Additions</b>			
Interest Expended on Capital Leases	295		
Realized Income from Deferred Credit Accounts	295		
Pensions	295		
Non-deductible penalties	295		
Change in future employee benefits	295		321
	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			
<b>Total Additions</b>			<b>400,521</b>

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	649,668
Terminal loss from Schedule 8	404	B8	0
Allowable business investment loss	406		
Deferred and prepaid expenses	409		
Scientific research expenses claimed in year	411		
Tax reserves claimed in current year	413	B13	0
Reserves from financial statements - balance at beginning of year	414	B13	0
Contributions to deferred income plans	416		
Book income of joint venture or partnership	305		
Equity in income from subsidiary or affiliates	306		
<b>Other deductions</b>			
Interest capitalized for accounting deducted for tax	395		
Capital Lease Payments	395		
Non-taxable imputed interest income on deferral and variance accounts	395		
	395		
	395		
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)			
<b>Total Deductions</b>		calculated	<b>649,668</b>
<b>Net Income for Tax Purposes</b>		calculated	<b>-184,966</b>
Charitable donations	311		
Taxable dividends received under section 112 or 113	320		
Non-capital losses of previous tax years from Schedule 4	331	B4	0
Net capital losses of previous tax years from Schedule 4	332	B4	0
Limited partnership losses of previous tax years from Schedule 4	335		
<b>TAXABLE INCOME</b>		calculated	<b>-184,966</b>



Ontario Energy Board

## Income Tax/PILs Workform for 2022 Filers

### Corporation Loss Continuity and Application

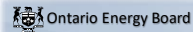
#### Schedule 4 Loss Carry Forward - Bridge Year

Non-Capital Loss Carry Forward Deduction		Total
Actual Historical	H4	161,122
<b>Amount to be used in Bridge Year</b>	B1	0
Loss Carry Forward Generated in Bridge Year (if any)	B1	184,966
Other Adjustments		
Balance available for use post Bridge Year	calculated	346,088

T4

Net Capital Loss Carry Forward Deduction		Total
Actual Historical	H4	0
<b>Amount to be used in Bridge Year</b>		
Loss Carry Forward Generated in Bridge Year (if any)	B1	
Other Adjustments		
Balance available for use post Bridge Year	calculated	0

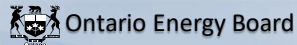
T4



## Income Tax/PILs Workform for 2022 Filers

### Schedule 8 CCA - Bridge Year

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated capital cost (UCC) at the beginning of the bridge year	(3) Cost of acquisitions during the year (net property must be available for use, except CWP)	(4) Cost of acquisitions from column 3 that are accelerated investment incentive property (AIIP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negative)	(6) Amount from column 5 that is assistance received of receivable during the year for a property, subsequent to its disposition	(7) Amount from column 5 that is rapid disposal during the year for a property, subsequent to its disposition	(8) Proceeds of dispositions	(9) UCC (column 2 plus column 3 plus or minus column 5 minus column 8)	(10) Proceeds of disposition available to reduce the UCC of AIIP (column 3 plus column 4 minus column 3 plus column 3 minus column 7) (if negative, enter "0")	(11) Net capital cost additions of AIIP acquired during the year (column 3 minus column 10) (if negative, enter "0")	Relevant factor	(12) UCC adjustment for AIIP acquired during the year (column 11 multiplied by the relevant factor)	(13) UCC adjustment for non-AIIP acquired during the year (B.5 multiplied by the result of column 3 minus column 4 minus column 3 minus column 7) (if negative, enter "0")	(14) CCA Rate %	(15) Recapture of CCA	(16) Terminal Loss	CCA (for balancing method, the result of column 3 plus column 12 minus column 13, multiplied by column 14)	(17) UCC at the end of the bridge year (column 9 minus column 17)	Working Paper Reference		
1	Buildings, Distribution System (acq'd post 1987)	1A5	\$	2,790,143					\$	2,790,143	\$	-	0.50	\$	-	4%		\$	111,966	\$	2,687,177	1A	
1b	Non-Residential Buildings (Reg. 1100)(1)(a.1) election)	1A5	\$	-					\$	-	\$	-	0.50	\$	-	6%		\$	-	\$	-	1A	
2	Distribution System (acq'd pre 1988)	1A5	\$	-					\$	-	\$	-	-	\$	-	6%		\$	-	\$	-	1A	
3	Buildings (acq'd pre 1988)	1A5	\$	-					\$	-	\$	-	-	\$	-	5%		\$	-	\$	-	1A	
6	Certain Buildings, Fences	1A5	\$	-					\$	-	\$	-	0.50	\$	-	10%		\$	-	\$	-	1A	
8	General Office Equipment, Furniture, Fixtures	1A5	\$	39,450	\$	6,500	\$	6,500	\$	45,950	\$	-	6,500	0.50	\$	3,250	20%		\$	9,841	\$	36,114	1A
10	Motor Vehicles, Fleet	1A5	\$	158,132	\$	60,000	\$	60,000	\$	218,132	\$	-	60,000	0.50	\$	30,000	30%		\$	74,440	\$	143,692	1A
10.1	Certain Automobiles	1A5	\$	-					\$	-	\$	-	0.50	\$	-	30%		\$	-	\$	-	1A	
12	Computer Application Software (Non-Systems)	1A5	\$	-					\$	-	\$	-	0.00	\$	-	100%		\$	-	\$	-	1A	
13, Lease # 1		1A5	\$	-					\$	-	\$	-	0.00	\$	-	NA		\$	-	\$	-	1A	
13, Lease # 2		1A5	\$	-					\$	-	\$	-	0.00	\$	-	NA		\$	-	\$	-	1A	
13, Lease # 3		1A5	\$	-					\$	-	\$	-	0.00	\$	-	NA		\$	-	\$	-	1A	
13, Lease # 4		1A5	\$	-					\$	-	\$	-	0.00	\$	-	NA		\$	-	\$	-	1A	
14	Limited Period Patents, Franchises, Concessions or Licences	1A5	\$	-					\$	-	\$	-	0.00	\$	-	NA		\$	-	\$	-	1A	
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017)	1A5	\$	-					\$	-	\$	-	0.50	\$	-	7%		\$	-	\$	-	1A	
14.1	Eligible Capital Property (acq'd post Jan 1, 2017)	1A5	\$	-					\$	-	\$	-	0.50	\$	-	5%		\$	-	\$	-	1A	
17	Elec. Generation Equip. (Non-Bldg, acq'd post Feb 27/00), Roads, Lots, Storage	1A5	\$	-					\$	-	\$	-	0.50	\$	-	8%		\$	-	\$	-	1A	
42	Fibre Optic Cable	1A5	\$	-					\$	-	\$	-	0.50	\$	-	12%		\$	-	\$	-	1A	
43.1	Certain Clean Energy/Energy-Efficient Generation Equipment	1A5	\$	-					\$	-	\$	-	2.33	\$	-	30%		\$	-	\$	-	1A	
43.2	Certain Clean Energy/Energy-Efficient Generation Equipment	1A5	\$	-					\$	-	\$	-	1.00	\$	-	50%		\$	-	\$	-	1A	
45	Computers & System Software (acq'd post Mar 22/04 and post Mar 19/07)	1A5	\$	1,794					\$	1,794	\$	-	0.50	\$	-	45%		\$	607	\$	987	1A	
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	1A5	\$	-					\$	-	\$	-	0.50	\$	-	22%		\$	-	\$	-	1A	
47	Distribution System (acq'd post Feb 22/05)	1A5	\$	4,110,099	\$	762,500	\$	762,500	\$	4,872,599	\$	-	762,500	0.50	\$	381,250	30%		\$	420,308	\$	4,452,291	1A
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	1A5	\$	36,222	\$	15,000	\$	15,000	\$	51,222	\$	-	15,000	0.50	\$	7,500	55%		\$	32,297	\$	18,925	1A
95	CWP	1A5	\$	-					\$	-	\$	-	0.00	\$	-	0%		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
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		1A5	\$	-					\$	-	\$	-	-	\$	-	-		\$	-	\$	-	1A	
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## Income Tax/PILs Workform for 2022 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
<b>Tax Reserves Not Deducted for Accounting Purposes</b>									
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
<b>Total</b>		0	0	0	B1	0	0	B1	0
<b>Financial statement reserves (not deductible for tax purposes)</b>									
General Reserve for Inventory Obsolescence (non-specific)	H13	0		0			0	T13	0
General Reserve for Bad Debts	H13	0		0			0	T13	0
Accrued Employee Future Benefits:	H13	0		0			0	T13	0
- Medical and Life Insurance	H13	0		0			0	T13	0
- Short & Long-term Disability	H13	0		0			0	T13	0
- Accumulated Sick Leave	H13	0		0			0	T13	0
- Termination Cost	H13	0		0			0	T13	0
- Other Post-Employment Benefits	H13	0		0			0	T13	0
Provision for Environmental Costs	H13	0		0			0	T13	0
Restructuring Costs	H13	0		0			0	T13	0
Accrued Contingent Litigation Costs	H13	0		0			0	T13	0
Accrued Self-Insurance Costs	H13	0		0			0	T13	0
Other Contingent Liabilities	H13	0		0			0	T13	0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	H13	0		0			0	T13	0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	H13	0		0			0	T13	0
Other	H13	0		0			0	T13	0
		0		0			0		0
		0		0			0		0
<b>Total</b>		0	0	0	B1	0	0	B1	0



Ontario Energy Board

# Income Tax/PILs Workform for 2022 Filers

## PILs Tax Provision - Test Year

### Regulatory Taxable Income

	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate	
Ontario (Max 11.5%)	11.5%	3.2%	\$ -	0.0%	<b>B</b>
Federal (Max 15%)	15.0%	9.0%	\$ -	0.0%	<b>C</b>

Combined effective tax rate (Max 26.5%)

### Total Income Taxes

Investment Tax Credits  
Miscellaneous Tax Credits

### Total Tax Credits

### Corporate PILs/Income Tax Provision for Test Year

Corporate PILs/Income Tax Provision Gross Up <sup>1</sup>

Income Tax (grossed-up)

### Note:

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

### Wires Only

T1 \$ - **A**

0.00% **D = B + C**

\$ - **E = A \* D**

**F**

**G**

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

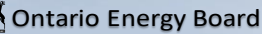
\$ - **I = E - H**

[S. Summary](#)

**J = 1-D** \$ - **K = I/J-I**

\$ - **L = K + I**

[S. Summary](#)



# Income Tax/PILs Workform for 2022 Filers

**Taxable Income - Test Year**

		Working Paper Reference	Test Year Taxable Income
<b>Net Income Before Taxes</b>		<u>A.</u>	272,867
	<b>T2 S1 line #</b>		
<b>Additions:</b>			
Interest and penalties on taxes	103		
Amortization of tangible assets 2-4 ADJUSTED ACCOUNTING DATA P489	104		428,342
Amortization of intangible assets 2-4 ADJUSTED ACCOUNTING DATA P490	106		
Recapture of capital cost allowance from Schedule 8	107	T8	0
Income inclusion under subparagraph 13(38)(d)(iii) from Schedule 10	108		
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	T13	0
Reserves from financial statements- balance at end of year	126	T13	0
Soft costs on construction and renovation of buildings	127		
Book loss on joint ventures or partnerships	205		
Capital items expensed	206		
Debt issue expense	208		
Development expenses claimed in current year	212		
Financing fees deducted in books	216		
Gain on settlement of debt	220		
Non-deductible advertising	226		
Non-deductible interest	227		
Non-deductible legal and accounting fees	228		
Recapture of SR&ED expenditures	231		
Share issue expense	235		
Write down of capital property	236		
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237		
<b>Other Additions</b>			
Interest Expensed on Capital Leases	295		
Realized Income from Deferred Credit Accounts	295		
Pensions	295		
Non-deductible penalties	295		
	295		
	295		
	295		
	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			
<b>Total Additions</b>			<b>428,342</b>

<b>Deductions:</b>			
Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403	T8	674,862
Terminal loss from Schedule 8	404	T8	0
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	0
Contributions to deferred income plans	416		
Book income of joint venture or partnership	305		
Equity in income from subsidiary or affiliates	306		
<b>Other deductions</b>			
Interest capitalized for accounting deducted for tax	395		
Capital Lease Payments	395		
Non-taxable imputed interest income on deferral and variance accounts	395		
Change in future employee benefits	395		1,272
	395		
	395		
	395		
	395		
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)			
<b>Total Deductions</b>		calculated	<b>676,134</b>
<b>NET INCOME FOR TAX PURPOSES</b>		calculated	<b>25,076</b>
Charitable donations	311		
Taxable dividends received under section 112 or 113	320		
Non-capital losses of previous tax years from Schedule 4	331	T4	25,076
Net capital losses of previous tax years from Schedule 4	332	T4	0
Limited partnership losses of previous tax years from Schedule 4	335		
<b>REGULATORY TAXABLE INCOME</b>		calculated	<b>0</b>

T0



Ontario Energy Board

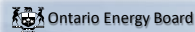
## Income Tax/PILs Workform for 2022 Filers

### Schedule 4 Loss Carry Forward - Test Year

#### Corporation Loss Continuity and Application

	Working Paper Reference	Total	Non-Distribution Portion	Utility Balance
<b>Non-Capital Loss Carry Forward Deduction</b>				
Actual/Estimated Bridge Year Carried Forward	B4	346,088		346,088
<b>Amount to be used in Test Year and Price Cap Years</b>	T1	25,076		25,076
Number of years loss until next cost of service (i.e. years the loss is to be spread over)				
<b>Amount to be used in Test Year</b>	calculated	25,076		25,076
Loss Carry Forward Generated in Test Year (if any)	T1	0		0
Other Adjustments				0
Balance available for use in Future Years	calculated	321,012		321,012

		Total	Non-Distribution Portion	Utility Balance
<b>Net Capital Loss Carry Forward Deduction</b>				
Actual/Estimated Bridge Year Carried Forward	B4	0		0
<b>Amount to be used in Test Year and Price Cap Years</b>				0
Number of years loss until next cost of service (i.e. years the loss is to be spread over)				
<b>Amount to be used in Test Year</b>	T1	0		0
Loss Carry Forward Generated in Test Year (if any)				0
Other Adjustments				0
Balance available for use in Future Years		0		0



## Income Tax/PILs Workform for 2022 Filers

## Schedule 8 CCA - Test Year

(1) Class	Class Description	Working Paper Reference	(2) Unreplaced capital cost (CCO) at the beginning of the tax year	(3) Cost of acquisitions in the year (new property must be available for use except CWP)	(4) Cost of acquisitions from column 3 that are accelerated investment incentive property (AIIP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negative)	(6) Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	(7) Amount from column 5 that is repair during the year for a property, subsequent to its disposition	(8) Proceeds of dispositions	(9) UCC (column 2 plus column 3 minus column 5)	(10) Proceeds of disposition available to reduce the UCC of AIIP acquired during the year (column 3 plus column 4 minus column 6) (if negative, enter "0")	(11) Net capital cost added during the year (column 4 minus column 10) (if negative, enter "0")	Relevant factor	(12) UCC adjustment for the year (column 9 multiplied by the relevant factor)	(13) UCC adjustment for the year (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7 minus column 8) (if negative, enter "0")	(14) CCA Rate %	(15) Recapture of CCA	(16) Terminal loss	(17) CCA for declining balance method, the result of column 9 plus column 12 minus column 13, multiplied by column 14	(18) UCC at the end of the tax year (column 9 minus column 12)
1	Buildings, Distribution System (acq'd post 1987)	Only if election under ONTARIO REGULATION 162/01 ss. 5 or 7 filed in	SA	\$ 2,687,177					\$ 2,687,177	\$ -	\$ -	- 0.50	\$ -	\$ -	4%			\$ 107,487	\$ 2,579,690	
1b	Non-Residential Buildings (Reg. 1100/1) (s.7 election)		SA	\$ -					\$ -	\$ -	\$ -	- 0.50	\$ -	\$ -	4%			\$ -	\$ -	
2	Distribution System (acq'd pre 1988)		SA	\$ -					\$ -	\$ -	\$ -	-	\$ -	\$ -	6%			\$ -	\$ -	
3	Buildings (acq'd pre 1988)		SA	\$ -					\$ -	\$ -	\$ -	-	\$ -	\$ -	5%			\$ -	\$ -	
6	Certain Buildings; Fences		SA	\$ -					\$ -	\$ -	\$ -	- 0.50	\$ -	\$ -	10%			\$ -	\$ -	
8	General Office Equipment, Furniture, Fixtures		SA	\$ 36,114	10,000	10,000			\$ 46,114	\$ -	10,000	0.50	\$ 5,000	\$ -	20%		\$ 10,223	\$ 35,891		
10	Motor Vehicles, Fleet		SA	\$ 143,692	60,000	60,000			\$ 203,692	\$ -	60,000	0.50	\$ 30,000	\$ -	30%		\$ 70,108	\$ 133,585		
10.1	Certain Automobiles		SA	\$ -					\$ -	\$ -	\$ -	- 0.50	\$ -	\$ -	30%			\$ -	\$ -	
12	Computer Application Software (Non-Systems)		SA	\$ -					\$ -	\$ -	\$ -	- 0.00	\$ -	\$ -	100%			\$ -	\$ -	
13	Lease # 1		SA	\$ -					\$ -	\$ -	\$ -	- 0.00	\$ -	\$ -	NA			\$ -	\$ -	
13.1	Lease # 2		SA	\$ -					\$ -	\$ -	\$ -	- 0.00	\$ -	\$ -	NA			\$ -	\$ -	
13.1	Lease # 3		SA	\$ -					\$ -	\$ -	\$ -	- 0.00	\$ -	\$ -	NA			\$ -	\$ -	
13.1	Lease # 4		SA	\$ -					\$ -	\$ -	\$ -	- 0.00	\$ -	\$ -	NA			\$ -	\$ -	
14	Limited Period Patents, Franchises, Concessions or Licences		SA	\$ -					\$ -	\$ -	\$ -	- 0.00	\$ -	\$ -	NA			\$ -	\$ -	
14.1	Eligible Capital Property (acq'd post Jan 1, 2017)		SA	\$ -					\$ -	\$ -	\$ -	- 0.50	\$ -	\$ -	7%			\$ -	\$ -	
14.1	Eligible Capital Property (acq'd post Jan 1, 2017)		SA	\$ -					\$ -	\$ -	\$ -	- 0.50	\$ -	\$ -	8%			\$ -	\$ -	
17	Electric Generation Equip. (Non-Bldg, acq'd post Feb 27/00); Roads, Lvs, Storage		SA	\$ -					\$ -	\$ -	\$ -	- 0.50	\$ -	\$ -	4%			\$ -	\$ -	
42	Fibre Optic Cable		SA	\$ -					\$ -	\$ -	\$ -	- 0.50	\$ -	\$ -	12%			\$ -	\$ -	
43.1	Certain Clean Energy/Energy-Efficient Generation Equipment		SA	\$ -					\$ -	\$ -	\$ -	- 2.33	\$ -	\$ -	30%			\$ -	\$ -	
43.2	Certain Clean Energy/Energy-Efficient Generation Equipment		SA	\$ -					\$ -	\$ -	\$ -	- 1.00	\$ -	\$ -	30%			\$ -	\$ -	
46	Computers & System Software (acq'd post Mar 2/04 and pre Mar 19/07)		SA	\$ 987					\$ 987	\$ -	\$ -	-	\$ -	\$ -	44%		\$ 444	\$ 543		
46	Data Network Infrastructure Equipment (acq'd post Mar 2/04)		SA	\$ 22					\$ 22	\$ -	\$ -	- 0.50	\$ -	\$ -	30%		\$ 7	\$ 16		
47	Distribution System (acq'd post Feb 22/05)		SA	\$ 4,462,291	835,012	835,012			\$ 5,287,303	\$ -	835,012	0.50	\$ 417,506	\$ -	8%		\$ 456,385	\$ 4,830,918		
50	General Purpose Computer Hardware & Software (acq'd post Mar 19/07)		SA	\$ 18,925	24,000	24,000			\$ 42,925	\$ -	24,000	0.50	\$ 12,000	\$ -	55%		\$ 30,204	\$ 12,716		
55	CWP		SA	\$ -					\$ -	\$ -	\$ -	- 0.00	\$ -	\$ -	0%			\$ -	\$ -	
			SA	\$ -					\$ -	\$ -	\$ -	-	\$ -	\$ -				\$ -	\$ -	
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## Income Tax/PILs Workform for 2022 Filers

### Schedule 13 Tax Reserves - Test Year

#### Continuity of Reserves

Description	Working Paper Reference	Bridge Year	Eliminate Amounts Not Relevant for Test 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	
<b>Tax Reserves Not Deducted for accounting purposes</b>									
Reserve for doubtful accounts ss. 20(1)(l)	B13	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	
<b>Total</b>		0	0	0	11	0	0	11	0
<b>Financial Statement Reserves (not deductible for Tax Purposes)</b>									
General Reserve for Inventory Obsolescence (non-specific)	B13	0		0			0	0	
General reserve for bad debts	B13	0		0			0	0	
Accrued Employee Future Benefits:	B13	0		0			0	0	
- Medical and Life Insurance	B13	0		0			0	0	
- Short & Long-term Disability	B13	0		0			0	0	
- Accumulated Sick Leave	B13	0		0			0	0	
- Termination Cost	B13	0		0			0	0	
- Other Post-Employment Benefits	B13	0		0			0	0	
Provision for Environmental Costs	B13	0		0			0	0	
Restructuring Costs	B13	0		0			0	0	
Accrued Contingent Litigation Costs	B13	0		0			0	0	
Accrued Self-Insurance Costs	B13	0		0			0	0	
Other Contingent Liabilities	B13	0		0			0	0	
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	B13	0		0			0	0	
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	B13	0		0			0	0	
Other	B13	0		0			0	0	
		0		0			0	0	
		0		0			0	0	
<b>Total</b>		0	0	0	11	0	0	11	0

## **Appendix 4.2 – 2020 Provincial Tax Return**

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

Client copy



Canada Revenue  
Agence du revenu  
du Canada

## T2 Corporation Income Tax Return

200

Code 2001

Protected B  
when completed

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. A shorter version of the return, the T2SHORT, is available for eligible corporations.

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. You have to file the return within six months after the end of the corporation's tax year.

For more information see [canada.ca/taxes](http://canada.ca/taxes) or Guide T4012, T2 Corporation – Income Tax Guide.

### Identification

Business Number (BN) ..... 001 864851993 RC0001	
Corporation's name 002 Rideau St. Lawrence Distribution Inc.	
Address of head office Has this address changed since the last time we were notified? ..... 010 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 011 to 018. 011 P.O. Box 699 012 985 Industrial Road City ..... Province, territory, or state ..... 015 Prescott ..... 016 ON Country (other than Canada) ..... Postal or ZIP code ..... 017 ..... 018 K0E 1T0	
Mailing address (if different from head office address) Has this address changed since the last time we were notified? ..... 020 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 021 to 028. 021 c/o ..... 022 P.O. Box 699 023 985 Industrial Road City ..... Province, territory, or state ..... 025 Prescott ..... 026 ON Country (other than Canada) ..... Postal or ZIP code ..... 027 ..... 028 K0E 1T0	
Location of books and records (if different from head office address) Has this address changed since the last time we were notified? ..... 030 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 031 to 038. 031 P.O. Box 699 032 985 Industrial Road City ..... Province, territory, or state ..... 035 Prescott ..... 036 ON Country (other than Canada) ..... Postal or ZIP code ..... 037 ..... 038 K0E 1T0	
040 Type of corporation at the end of the tax year (tick one) 1 <input checked="" type="checkbox"/> Canadian-controlled private corporation (CCPC) 2 <input type="checkbox"/> Other private corporation 3 <input type="checkbox"/> Public corporation 4 <input type="checkbox"/> Corporation controlled by a public corporation 5 <input type="checkbox"/> Other corporation (specify) ..... If the type of corporation changed during the tax year, provide the effective date of the change ..... 043 Year Month Day	
To which tax year does this return apply? Tax year start ..... 060 2,0,2,0 0,1 0,1  Year Month Day Tax year end ..... 061 2,0,2,0 1,2 3,1  Year Month Day Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? ..... 063 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, provide the date control was acquired ..... 065 Year Month Day Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? ..... 066 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Is the corporation a professional partnership that is a member of a partnership? ..... 067 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Is this the first year of filing after: Incorporation? ..... 070 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Amalgamation? ..... 071 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 030 to 038 and attach Schedule 24. Has there been a wind-up of a subsidiary under section 88 during the current tax year? ..... 072 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete and attach Schedule 24. Is this the final tax year before amalgamation? ..... 076 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Is this the final return up to dissolution? ..... 078 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If an election was made under section 261, state the functional currency used ..... 079 Is the corporation a resident of Canada? ..... 080 Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If no, give the country of residence on line 081 and complete and attach Schedule 97. 081 Is the non-resident corporation claiming an exemption under an income tax treaty? ..... 082 Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, complete and attach Schedule 91. If the corporation is exempt from tax under section 149, tick one of the following boxes: 085 1 <input type="checkbox"/> Exempt under paragraph 149(1)(e) or (l) 2 <input type="checkbox"/> Exempt under paragraph 149(1)(j) 4 <input type="checkbox"/> Exempt under other paragraphs of section 149	
Do not use this area	
095	096
898	

Prepared without audit based on information provided by the taxpayer.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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Attachments		Yes	Schedule
<b>Financial statement information:</b> Use GIFL schedules 100, 125, and 141.			
<b>Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.</b>			
Is the corporation related to any other corporations? .....	150	<input checked="" type="checkbox"/>	9
Is the corporation an associated CCPC? .....	160	<input checked="" type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit? .....	161	<input type="checkbox"/>	49
Does the corporation have any non-resident shareholders who own voting shares? .....	151	<input type="checkbox"/>	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents. ....	162	<input type="checkbox"/>	11
If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee? .....	163	<input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada? .....	164	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan? .....	165	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter? .....	166	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned? .....	167	<input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)? .....	168	<input type="checkbox"/>	22
Did the corporation own any shares in one or more foreign affiliates in the tax year? .....	169	<input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the <i>Income Tax Regulations</i> ? .....	170	<input type="checkbox"/>	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents? .....	171	<input type="checkbox"/>	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares? .....	173	<input checked="" type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year? .....	172	<input type="checkbox"/>	---
Does the corporation earn income from one or more Internet webpages or websites? .....	180	<input type="checkbox"/>	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes? .....	201	<input checked="" type="checkbox"/>	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine? .....	202	<input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund? .....	203	<input type="checkbox"/>	3
Is the corporation claiming any type of losses? .....	204	<input checked="" type="checkbox"/>	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction? .....	205	<input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year? .....	206	<input type="checkbox"/>	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or	207	<input type="checkbox"/>	7
ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)? .....	208	<input checked="" type="checkbox"/>	8
Does the corporation have any property that is eligible for capital cost allowance? .....	212	<input type="checkbox"/>	12
Does the corporation have any resource-related deductions? .....	213	<input type="checkbox"/>	13
Is the corporation claiming deductible reserves? .....	216	<input type="checkbox"/>	16
Is the corporation claiming a patronage dividend deduction? .....	217	<input type="checkbox"/>	17
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction? .....	218	<input type="checkbox"/>	18
Is the corporation an investment corporation or a mutual fund corporation? .....	220	<input type="checkbox"/>	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits? .....	221	<input type="checkbox"/>	21
Does the corporation have any Canadian manufacturing and processing profits? .....	227	<input type="checkbox"/>	27
Is the corporation claiming an investment tax credit? .....	231	<input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures? .....	232	<input type="checkbox"/>	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000? .....	233	<input type="checkbox"/>	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000? .....	234	<input type="checkbox"/>	---
Is the corporation subject to gross Part VI tax on capital of financial institutions? .....	238	<input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit? .....	242	<input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid? .....	243	<input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax? .....	244	<input type="checkbox"/>	45
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax? .....	250	<input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit? .....	253	<input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit? .....	254	<input type="checkbox"/>	T1177
Is the corporation claiming a Canadian journalism labour tax credit? .....	272	<input type="checkbox"/>	58
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.) .....	255	<input type="checkbox"/>	92

Corporation name: Rideau St. Lawrence Distribution Inc.

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

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

Taxable income		
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL	300	(85,126) A
<b>Deduct:</b>		
Charitable donations from Schedule 2	311	
Cultural gifts from Schedule 2	313	
Ecological gifts from Schedule 2	314	
Gifts of medicine made before March 22, 2017, 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	
Employer deduction in respect of non-qualified securities - Paragraph 110(1)(e)		
Subtotal		B
Subtotal (amount A minus amount B) (if negative, enter "0")		C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355	D
<b>Taxable income</b> (amount C plus amount D)	360	

\* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Corporation name: Rideau St. Lawrence Distribution Inc.

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<b>Small business deduction</b>									
<b>Canadian-controlled private corporations (CCPCs) throughout the tax year</b>									
Income eligible for the small business deduction from Schedule 7						400			A
Taxable income from line 360 on page 3, minus 100/28 of the amount on line 632* on page 8, minus 4 times the amount on line 636** on page 8, 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	498,541		C
<b>Notes:</b>									
1. For CCPCs that are not associated, enter \$500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year divided by 365, and enter the result on line 410.									
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.									
<b>Business limit reduction:</b>									
<b>Taxable capital business limit reduction</b>									
Amount C 498,541 x 415***						D		E	
						11,250			
<b>Passive income business limit reduction</b>									
Adjusted aggregate investment income from Schedule 7 ****						417		F	
						- 50,000 =			
Amount C 498,541 x Amount F								G	
100,000									
						The greater of amount E and amount G		422	
								H	
Reduced business limit (amount C minus amount H) (if negative, enter "0")						426		498,541	
								I	
Business limit the CCPC assigns under subsection 125(3.2) (from line 515)								J	
Reduced business limit after assignment (amount I minus amount J)						428		498,541	
								K	
<b>Small business deduction</b>									
Amount A, B, C, or K, whichever is the least						x		No. of days on or after January 1, 2018 and before January 1, 2019	
								366	
								x 18.0 %	
								=	
Amount A, B, C, or K, whichever is the least						x		No. of days on or after January 1, 2019	
								366	
								x 19.0 %	
								=	
Total of the above amounts								430	
Enter amount from line 430 at amount J on page 8.									
* 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.									
*** <b>Large corporations</b>									
• 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.									
**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.									

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**Small business deduction (continued)**

**Specified corporate income and assignment under subsection 125(3.2)**

L Business number of the corporation receiving the assigned amount	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L <sup>3</sup>	N Business limit assigned to corporation identified in column L <sup>4</sup>
490	500	505
RC		
Total	510	515

**Notes**

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
- (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
- (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
- (i) persons (other than the private corporation) with which the corporation deals at arm's length, or
- (ii) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula  $A - B$ , where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

**General tax reduction for Canadian-controlled private corporations**

**Canadian-controlled private corporations throughout the tax year**

Taxable income from line 360 on page 3 ..... A

Lesser of amounts 9B and 9H from Part 9 of Schedule 27 ..... B

Amount 13K from Part 13 of Schedule 27 ..... C

Personal services business income ..... 432 D

Amount from line 400, 405, 410, or 428 on page 4, whichever is the least ..... E

Aggregate investment income from line 440 on page 6\* ..... F

Subtotal (add amounts B to F) ..... G

Amount A minus amount G (if negative, enter "0") ..... H

**General tax reduction for Canadian-controlled private corporations – Amount H multiplied by 13% ..... I**

Enter amount I on line 638 on page 8.

\* 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 line 360 on page 3 ..... J

Lesser of amounts 9B and 9H from Part 9 of Schedule 27 ..... K

Amount 13K from Part 13 of Schedule 27 ..... L

Personal services business income ..... 434 M

Subtotal (add amounts K to M) ..... N

Amount J minus amount N (if negative, enter "0") ..... O

**General tax reduction – Amount O multiplied by 13% ..... P**

Enter amount P on line 639 on page 8.

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Refundable portion of Part I tax			
Canadian-controlled private corporations throughout the tax year			
Aggregate investment income from Schedule 7	440	$\times 30 \frac{2}{3}\% =$	A
Foreign non-business income tax credit from line 632 on page 8			B
Foreign investment income from Schedule 7	445	$\times 8\% =$	C
Subtotal (amount B minus amount C) (if negative, enter "0")			D
Amount A minus amount D (if negative, enter "0")			E
Taxable income from line 360 on page 3			F
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least			G
Foreign non-business income tax credit from line 632 on page 8		$\times 75/29$	H
Foreign business income tax credit from line 636 on page 8		$\times 4 =$	I
Subtotal (add amounts G to I)			J
Subtotal (amount F minus amount J)			K
			$\times 30 \frac{2}{3}\% =$
			L
Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)			M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least			N
			450

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Refundable dividend tax on hand	
Refundable dividend tax on hand (RDTOH) at the end of the previous tax year .....	460
Dividend refund for the previous tax year .....	465
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary .....	480
Subtotal (line 460 minus line 465 plus line 480) .....	A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53) .....	B
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53) .....	C
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53) .....	D
Subtotal (amount C minus amount D) (if negative, enter "0") .....	E
Net GRIP at the end of the previous tax year (amount B minus amount E) (if negative, enter "0") .....	F
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53) .....	G
Subtotal (amount F plus amount G) .....	H
Amount H multiplied by 38 1/3% .....	I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year) .....	520
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A minus amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0") .....	535
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3) .....	L
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3) .....	M
Subtotal (amount L plus amount M) .....	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary .....	525
ERDTOH dividend refund for the previous tax year .....	570
Refundable portion of Part I tax (from line 450 on page 6) .....	Q
Part IV tax before deductions (amount 2A from Schedule 3) .....	R
Part IV tax allocated to ERDTOH (amount N) .....	S
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43) .....	T
Subtotal (amount R minus total of amounts S and T) .....	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary .....	540
NERDTOH dividend refund for the previous tax year .....	575
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3) .....	X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U minus amount X) (if negative enter "0") .....	Y
NERDTOH at the end of the tax year (total of amounts K, Q, V, and Y minus amount W) (if negative, enter "0") .....	545
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N minus the amount, if any, by which amount X exceeds amount U) (if negative, enter "0") .....	Z
ERDTOH at the end of the tax year (total of amounts J, O, and Z minus amount P) (if negative, enter "0") .....	530

Dividend refund	
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3) .....	AA
ERDTOH balance at the end of the tax year (line 530) .....	BB
Eligible dividend refund (amount AA or BB, whichever is less) .....	CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3) .....	DD
NERDTOH balance at the end of the tax year (line 545) .....	EE
Non-eligible dividend refund (amount DD or EE, whichever is less) .....	FF
Amount DD minus amount EE (if negative, enter "0") .....	GG
Amount BB minus amount CC (if negative, enter "0") .....	HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less) .....	II
Dividend refund – Amount CC plus amount FF plus amount II .....	JJ
Enter amount JJ on line 784 on page 9.	

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<b>Part I tax</b>	
Base amount Part I tax – Taxable income (from line 360 on page 3) multiplied by 38%.....	550 A
<b>Additional tax on personal services business income (section 123.5)</b>	
Taxable income from a personal services business ..... 555 × 5% =	560 B
Recapture of investment tax credit from Schedule 31.....	602 C
<b>Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income</b> (if it was a CCPC throughout the tax year)	
Aggregate investment income from line 440 on page 6.....	D
Taxable income from line 360 on page 3.....	E
<b>Deduct:</b>	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least.....	F
Net amount (amount E minus amount F).....	G
Refundable tax on CCPC's investment income – 10 2/3% of whichever is less: amount D or amount G.....	604 H
Subtotal (add amounts A, B, C, and H).....	I
<b>Deduct:</b>	
Small business deduction from line 430 on page 4.....	J
Federal tax abatement.....	608
Manufacturing and processing profits deduction from Schedule 27.....	616
Investment corporation deduction.....	620
Taxed capital gains.....	624
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 I on page 5.....	638
General tax reduction from amount P 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.....	K
<b>Part I tax payable</b> Amount I minus amount K.....	L
Enter amount L on line 700 on page 9.	

<b>Privacy statement</b>	
Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at <a href="http://canada.ca/cra-info-source">canada.ca/cra-info-source</a> .	

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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Summary of tax and credits	
<b>Federal tax</b>	
Part I tax payable from amount L on page 8 .....	700
Part III.1 tax payable from Schedule 55 .....	710
Part IV tax payable from Schedule 3 .....	712
Part IV.1 tax payable from Schedule 43 .....	716
Part VI tax payable from Schedule 38 .....	720
Part VI.1 tax payable from Schedule 43 .....	724
Part XIII.1 tax payable from Schedule 92 .....	727
Part XIV tax payable from Schedule 20 .....	728
Total federal tax .....	
<b>Add provincial or territorial tax:</b>	
Provincial or territorial jurisdiction .....	750 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)	
Net provincial or territorial tax payable (except Quebec and Alberta) .....	760
Total tax payable .....	770 A
<b>Deduct other credits:</b>	
Investment tax credit refund from Schedule 31 .....	780
Dividend refund from amount JJ on page 7 .....	784
Federal capital gains refund from Schedule 18 .....	788
Federal qualifying environmental trust tax credit refund .....	792
Canadian film or video production tax credit (Form T1131) .....	796
Film or video production services tax credit (Form T1177) .....	797
Canadian journalism labour tax credit from Schedule 58 .....	798
Tax withheld at source .....	800
Total payments on which tax has been withheld .....	801
Provincial and territorial capital gains refund from Schedule 18 .....	808
Provincial and territorial refundable tax credits from Schedule 5 .....	812
Tax instalments paid .....	840
Total credits .....	890 B
Balance (amount A minus amount B) .....	
If the result is negative, you have a <b>refund</b> . If the result is positive, you have a <b>balance owing</b> . Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.	
Refund code .....	894
Refund .....	
<b>Direct deposit request</b>	
To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:	
<input type="checkbox"/> Start	<input type="checkbox"/> Change information
914	910
Institution number	Branch number
918	Account number
If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due? .....	
If this return was prepared by a tax preparer for a fee, provide their EFIL number .....	
896 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 920 S5762	
<b>Certification</b>	
I, 950 SOULES	951 PETER
Last name	First name
954 CFO	
Position, office, or rank	
am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.	
955 2, 0, 2, 1   0, 6   2, 9	956 (613) 925-3851
Date (yyyy/mm/dd)	Signature of the authorized signing officer of the corporation
Telephone number	
Is the contact person the same as the authorized signing officer? If no, complete the information below .....	
957 Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	958 ( ) -
Name	Telephone number
<b>Language of correspondence - Langue de correspondance</b>	
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	

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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Schedule 100  
Code 0803  
**Protected B**  
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### Balance Sheet Information

- Use this schedule to report the corporation's balance sheet information.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation – Income Tax Guide.

### Rideau St. Lawrence Distribution Inc.

#### Balance Sheet

As of December 31, 2020

Assets	GIFI item	Current fiscal year	Previous fiscal year
<b>Current assets</b>			
Cash and deposits	1000		374,490
Accounts receivable	1060	1,332,650	1,348,323
Inventories	1120	259,935	247,452
Other current assets	1480	1,499,577	1,510,974
Prepaid expenses	1484	177,118	164,697
<b>Total current assets</b>	<b>1599</b>	<b>3,269,280</b>	<b>3,645,936</b>
<b>Fixed assets</b>			
Land	1600	91,567	91,567
Buildings	1680	113,861	111,947
Accumulated amortization of buildings	1681	(22,025)	(18,761)
Machinery, equipment, furniture, and fixtures	1740	8,088,011	7,473,187
Accumulated amortization of machinery, equipment, furniture, and fixtures	1741	(1,509,256)	(1,237,739)
Other tangible capital assets	1900	1,578,100	1,461,114
Accumulated amortization of other tangible capital assets	1901	(1,109,422)	(997,936)
		7,230,836	6,883,379
<b>Other assets</b>			
Other long-term assets	2420	603,670	156,782
Future (deferred) income taxes	2421	41,165	50,561
		644,835	207,343
<b>Total assets</b>	<b>2599</b>	<b>11,144,951</b>	<b>10,736,658</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Amounts payable and accrued liabilities	2620	1,682,221	2,211,393
Demand notes due to related parties	2861	1,163,352	1,163,352
Advances due to related parties	2863	1,883,346	1,828,268
Current portion of long-term liability	2920	247,891	347,711
Other current liabilities	2960	50,625	47,460
Deposits received	2961	151,595	155,652
Bank overdraft	2600	477,445	
<b>Total current liabilities</b>	<b>3139</b>	<b>5,656,475</b>	<b>5,753,836</b>
<b>Long-term Liabilities</b>			
Other long-term liabilities	3320	1,190,255	911,306
		1,190,255	911,306
<b>Total liabilities</b>	<b>3499</b>	<b>6,846,730</b>	<b>6,665,142</b>
<b>Shareholder equity</b>			
<b>Contributed capital</b>			
Common shares	3500	2,511,123	2,511,123
Accumulated other comprehensive income	3580	(14,049)	(11,457)
<b>Retained earnings (deficit)</b>	<b>3600</b>	<b>1,801,147</b>	<b>1,571,850</b>
<b>Total shareholder equity</b>	<b>3620</b>	<b>4,298,221</b>	<b>4,071,516</b>
<b>Total liabilities and shareholder equity</b>	<b>3640</b>	<b>11,144,951</b>	<b>10,736,658</b>

This statement has been compiled from information provided by the taxpayer, solely for income tax purposes and may not be appropriate for other purposes. We have not audited, reviewed or otherwise attempted to verify its accuracy or completeness.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**Retained earnings (deficit)**

Opening balance	3660	1,571,850	1,548,276
Net income (loss)	3680	229,297	170,574
Cash dividends	3701		(147,000)
<b>Closing balance</b>	<b>3849</b>	<b>1,801,147</b>	<b>1,571,850</b>

This statement has been compiled from information provided by the taxpayer, solely for income tax purposes and may not be appropriate for other purposes. We have not audited, reviewed or otherwise attempted to verify its accuracy or completeness.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## Income Statement Information

**Schedule 125**  
Code 1004  
**Protected B**  
when completed

- Use this schedule to report your corporation's income statement information.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation – Income Tax Guide.

### Rideau St. Lawrence Distribution Inc.

#### Income statement

For the year ended December 31, 2020

0001	Operating name	0002	Description of the operation	0003	** Sequence number
		GIFI item	Current fiscal year	Previous fiscal year	
<b>Income</b>					
<b>Sales</b>					
Sales of goods and services		8000	17,813,672	15,794,498	
<b>Total sales of goods and services</b>		8089	17,813,672	15,794,498	
<b>Other income</b>					
Investment revenue		8090	79,389	65,450	
Realized gains/losses on disposal of assets		8210	(4,346)	(7,731)	
Other revenue		8230	229,880	203,606	
<b>Total income</b>		8299	18,118,595	16,055,823	
<b>Cost of goods sold</b>					
Opening inventory		8300			
Purchases/cost of materials		8320	15,040,230	13,123,271	
Closing inventory		8500			
		8518	15,040,230	13,123,271	
<b>Gross profit</b> (item 8089 minus item 8518)		8519	2,773,442	2,671,227	
<b>Expenses</b>					
Amortization of tangible assets		8670	375,155	386,765	
Interest and bank charges		8710	80,655	56,543	
Office expenses		8810	975,867	905,691	
Other repairs and maintenance		9010	741,973	805,811	
Other expenses		9270	666,022	565,723	
<b>Total operating expenses</b>		9367	2,839,672	2,720,533	
<b>Total cost of good sold and expenses</b>		9368	17,879,902	15,843,804	
<b>Net non-farming income</b> (item 8299 minus item 9368)		9369	238,693	212,019	
<b>Other comprehensive income</b>					
Revaluation surplus		7000	(2,592)	(7,331)	
Total other comprehensive income			(2,592)	(7,331)	
<b>Net income (loss) before taxes and extraordinary items</b>		9970	238,693	212,019	
<b>Extraordinary items</b>					
Current income taxes		9990			
Deferred income taxes		9995	9,396	41,445	
<b>Net income (loss) before comprehensive income</b>			229,297	170,574	
Total other comprehensive income		9998	(2,592)	(7,331)	
<b>Net income (loss)</b>		9999	226,705	163,243	

This statement has been compiled from information provided by the taxpayer, solely for income tax purposes and may not be appropriate for other purposes. We have not audited, reviewed or otherwise attempted to verify its accuracy or completeness.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## Notes checklist

Schedule 141

Code 1004

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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 Guide 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** Yes ☒ No ☐

Is the accountant connected\* with the corporation? ..... **097** Yes ☐ 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** Yes ☐ 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** Yes ☒ No ☐

If **yes**, complete lines 104 to 107 below:

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

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

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

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

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

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**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**

Yes ☐

No ☒

If yes, enter the amount recognized:

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

**Financial instruments**

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

**250**

Yes ☐

No ☒

Did the corporation apply hedge accounting during the tax year? .....

**255**

Yes ☐

No ☒

Did the corporation discontinue hedge accounting during the tax year? .....

**260**

Yes ☐

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**

Yes ☐

No ☒

If yes, you have to maintain a separate reconciliation.

Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy

## S4 Loss Continuity Worksheet

### Non-Capital Losses

A non-capital loss expires as follows:

- after 7 tax years if it arose in a tax year ending before March 23, 2004;
- 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

Tax year end	Ending bal. from previous tax year	Expired	Opening bal.	Transfer on amalgamation or wind-up	Current year loss	Carryback	Other adjustments	Adjustments for debt forgiveness	Applied	Applied to Part IV tax	Ending bal.	Expiring if not used this year
2020/12/31					85,126						85,126	
2019/12/31	61,362		61,362								61,362	
2018/12/31												
2017/12/31												
2016/12/31												
2015/12/31	99,760		99,760								99,760	
2014/12/31												
2013/12/31												
2012/12/31												
2011/12/31												
2010/12/31												
2009/12/31												
2008/12/31												
2007/12/31												
2006/12/31												
2005/12/31												
2004/12/31												
2003/12/31												
2002/12/31												
2001/12/31												
2000/09/30												
2000/09/30												
Total	161,122		161,122		85,126						246,248	

Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy

#### Farm Losses

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.

Tax year end	Ending bal. from previous tax year	Expired	Opening bal.	Transfer on amalgamation or wind-up	Current year loss	Carryback	Other adjustments	Adjustments for debt forgiveness	Applied	Applied to Part IV tax	Ending bal.	Expiring if not used this year
2020/12/31												
2019/12/31												
2018/12/31												
2017/12/31												
2016/12/31												
2015/12/31												
2014/12/31												
2013/12/31												
2012/12/31												
2011/12/31												
2010/12/31												
2009/12/31												
2008/12/31												
2007/12/31												
2006/12/31												
2005/12/31												
2004/12/31												
2003/12/31												
2002/12/31												
2001/12/31												
2000/09/30												
Total												

Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy

### Restricted Farm Losses

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.

Tax year end	Ending bal. from previous tax year	Expired	Opening bal.	Transfer on amalgamation or wind-up	Current year loss	Carryback	Other adjustments	Adjustments for debt forgiveness	Applied	Ending bal.	Expiring if not used this year
2020/12/31											
2019/12/31											
2018/12/31											
2017/12/31											
2016/12/31											
2015/12/31											
2014/12/31											
2013/12/31											
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2006/12/31											
2005/12/31											
2004/12/31											
2003/12/31											
2002/12/31											
2001/12/31											
2001/09/30											
2000/09/30											
Total											

Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy

**Listed Personal Property Losses**

Tax year end	Ending bal. from previous tax year	Expired	Opening bal.	Current year loss	Carryback	Other adjustments	Applied	Ending bal.	Expiring if not used this year
2020/12/31									
2019/12/31									
2018/12/31									
2017/12/31									
2016/12/31									
2015/12/31									
2014/12/31									
2013/12/31									
2012/12/31									
Total									

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## S8Asset Capital Cost Allowance (CCA) Asset Manager

### Asset and Cost Information

Class	1-a
Description	distribution and buildings
Account number	
Select rental property (Reg. 1100(11))	

### Cost

Cost, beginning	
Additions	1,914
Dispositions	
Cost, ending	1,914

Show the **Net Addition Calculation** section for accelerated CCA? ☒

### CCA

	Federal	Alberta	Québec
UCC, beginning	2,913,900	2,913,900	2,913,900
Total additions	1,914	1,914	1,914
AIIP additions included in the total additions	1,914	1,914	1,914
Adjustments and transfers			
Previous year ITC			
Other			
Assistance received or receivable subsequent to disposition <sup>7</sup>			
Assistance repaid subsequent to disposition <sup>8</sup>			
Net adjustments and transfers			
Adjusted UCC	2,915,814	2,915,814	2,915,814
Proceeds of disposition			
UCC before CCA	2,915,814	2,915,814	2,915,814
1/2 year and UCC adjustments <sup>4</sup>	(957)	(957)	(957)
Base for CCA	2,916,771	2,916,771	2,916,771
Rate	4 %	4 %	4 %
CCA <sup>**</sup>	116,671	116,671	116,671
Terminal loss			
Recapture			
UCC, ending	2,799,143	2,799,143	2,799,143

<sup>\*\*</sup> Class 14.1 accelerated CCA for amount transferred from Schedule 10 (ITR 1100(1)(c.1)). The CCA claim may be the greater of the calculated amount or \$500.

### Net addition calculation

Non AIIP addition			
Assistance (subsequent to disposition) allocated	+		
Disposition allocated <sup>5</sup>	-		
Net non-AIIP addition <sup>1</sup>	=		
AIIP addition		1,914	1,914
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>2</sup>	=	1,914	1,914
AIIP addition (non QIP) <sup>6</sup>		N/A	N/A
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>6</sup>	=	N/A	N/A
1/2 year adjustments			
UCC adjustment <sup>3</sup>	-	957	957
UCC adjustment (non QIP) <sup>6</sup>	-	N/A	N/A
1/2 year and UCC adjustments <sup>4</sup>	=	(957)	(957)

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**Accelerated Investment Incentive Property (AIIP)**

Additions after **November 20, 2012** are eligible for an accelerated CCA in the year of acquisition. The accelerated CCA rule suspends the 1/2 year adjustment to the eligible additions by adding the 1/2 year adjustment rather than subtracting it from the UCC base. For most CCA classes, such additions result in 3 times the first year CCA than the normal first year CCA.

1. Additions before **November 21, 2018**. Ineligible addition for accelerated CCA. Subject to 1/2 year rule in the year of acquisition.
2. Additions after **November 20, 2018**. Eligible addition for accelerated CCA. 1/2 year rule suspended in the year of acquisition.
3. UCC adjustment under the proposed *Regulation 1100(2)* with respect to additions after November 20, 2018:  
UCC adjustment = 0.5 x net addition<sup>5</sup>
4. If the total is negative, add (rather than subtract) to calculate UCC base for CCA.
5. Where UCC of a class is increased in a year by both additions before November 21, 2018 and additions after November 20, 2018, and there is a disposition, the disposition must first reduce pre November 21, 2018 addition before post November 20, 2018 additions to calculate the net addition.
6. Not applicable.
7. Enter only as a negative amount. Assistance received or receivable during the year for a property, subsequent to disposition (column 6 of Schedule 8). In column 6 of Schedule 8, the amount is carried over as a positive amount.
8. Enter only as a positive amount. Assistance that is repaid during the year for a property, subsequent to disposition (column 7 of Schedule 8).

### Current Year Addition/Disposition Transactions

Description		Transaction date ***	
<b>Additions</b>		<b>Dispositions</b>	
Cost of addition *	1,914	Proceeds	Full disposition? No
AIIP? *****	Yes	Outlays	Terminal loss? No
AIIP for Québec? *****	Yes	Net proceeds	
QIP for Québec? *****	Yes	Cost	
Half year rule applies?	Yes	Lower of cost and proceeds	
Trade-in allowance **			
GST/HST, PST, QST % **			
GST/HST input tax credit **			

\*\*\*\*\* Qualified intellectual property (QIP) for Québec. Applicable to additions made after December 3, 2018 for classes 14, 14.1 and 44.

### History of additions

Description	Date acquired	Cost	Class 54 capital cost limit (before tax)	Class 54 capital cost limit (after tax)	Disposed of?
Total Cost					

- Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy
- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). 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 (show amounts that reduce the undepreciated capital cost in brackets) 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 5. Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property continuously owned by the transferor for at least 364 days before the end of your tax year.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(x) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b). Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1 54 and 56
  - 1 1/2 for property in Class 55
  - 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. 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 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
- Note 14. 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.
- For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year.
- For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(y.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
- The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

Client copy

## S8Asset Capital Cost Allowance (CCA) Asset Manager

### Asset and Cost Information

Class 47-a  
Description Distribution and transmission equipment  
Account number \_\_\_\_\_  
Select rental property (Reg. 1100(11)) \_\_\_\_\_

### Cost

Cost, beginning \_\_\_\_\_  
Additions 588,910  
Dispositions \_\_\_\_\_  
Cost, ending 588,910

Show the **Net Addition Calculation** section for accelerated CCA? ☒

### CCA

	Federal	Alberta	Québec
UCC, beginning	3,904,194	3,904,194	3,904,194
Total additions	588,910	588,910	588,910
AIIP additions included in the total additions	588,910	588,910	588,910
Adjustments and transfers			
Previous year ITC			
Other			
Assistance received or receivable subsequent to disposition <sup>7</sup>			
Assistance repaid subsequent to disposition <sup>8</sup>			
Net adjustments and transfers			
Adjusted UCC	4,493,104	4,493,104	4,493,104
Proceeds of disposition			
UCC before CCA	4,493,104	4,493,104	4,493,104
1/2 year and UCC adjustments <sup>4</sup>	(294,455)	(294,455)	(294,455)
Base for CCA	4,787,559	4,787,559	4,787,559
Rate	8 %	8 %	8 %
CCA <sup>**</sup>	383,005	383,005	383,005
Terminal loss			
Recapture			
UCC, ending	4,110,099	4,110,099	4,110,099

<sup>\*\*</sup> Class 14.1 accelerated CCA for amount transferred from Schedule 10 (ITR 1100(1)(c.1)). The CCA claim may be the greater of the calculated amount or \$500.

### Net addition calculation

Non AIIP addition			
Assistance (subsequent to disposition) allocated	+		
Disposition allocated <sup>5</sup>	-		
Net non-AIIP addition <sup>1</sup>	=		
AIIP addition		588,910	588,910
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>2</sup>	=	588,910	588,910
AIIP addition (non QIP) <sup>6</sup>		N/A	N/A
Disposition allocated <sup>5</sup>	-	N/A	N/A
Net AIIP addition <sup>6</sup>	=	N/A	N/A
1/2 year adjustments			
UCC adjustment <sup>3</sup>	-	294,455	294,455
UCC adjustment (non QIP) <sup>6</sup>	-	N/A	N/A
1/2 year and UCC adjustments <sup>4</sup>	=	(294,455)	(294,455)



- Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy
- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). 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 (show amounts that reduce the undepreciated capital cost in brackets) 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 5. Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property continuously owned by the transferor for at least 364 days before the end of your tax year.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(x) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b). Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1 54 and 56
  - 1 1/2 for property in Class 55
  - 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. 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 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
- Note 14. 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.
- For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year.
- For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
- The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

Client copy

## S8Asset Capital Cost Allowance (CCA) Asset Manager

### Asset and Cost Information

Class	50-a
Description	Computer Hardware
Account number	
Select rental property (Reg. 1100(11))	

### Cost

Cost, beginning	
Additions	135,473
Dispositions	
Cost, ending	135,473

Show the **Net Addition Calculation** section for accelerated CCA? ☒

### CCA

	Federal	Alberta	Québec
UCC, beginning	27,809	27,809	27,809
Total additions	135,473	135,473	135,473
AIIP additions included in the total additions	135,473	135,473	135,473
<b>Adjustments and transfers</b>			
Previous year ITC			
Other			
Assistance received or receivable subsequent to disposition <sup>7</sup>			
Assistance repaid subsequent to disposition <sup>8</sup>			
<b>Net adjustments and transfers</b>			
Adjusted UCC	163,282	163,282	163,282
Proceeds of disposition			
UCC before CCA	163,282	163,282	163,282
1/2 year and UCC adjustments <sup>4</sup>	(67,737)	(67,737)	(110,842)
Base for CCA	231,019	231,019	274,124
Rate	55 %	55 %	55 %
CCA <sup>**</sup>	127,060	127,060	150,768
Terminal loss			
Recapture			
UCC, ending	36,222	36,222	12,514

<sup>\*\*</sup> Class 14.1 accelerated CCA for amount transferred from Schedule 10 (ITR 1100(1)(c.1)). The CCA claim may be the greater of the calculated amount or \$500.

### Net addition calculation

Non AIIP addition			
Assistance (subsequent to disposition) allocated	+		
Disposition allocated <sup>5</sup>	-		
Net non-AIIP addition <sup>1</sup>	=		
AIIP addition		135,473	135,473
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>2</sup>	=	135,473	135,473
AIIP addition (non QIP) <sup>6</sup>		N/A	N/A
Disposition allocated <sup>5</sup>	-	N/A	N/A
Net AIIP addition <sup>6</sup>	=	N/A	N/A
1/2 year adjustments			
UCC adjustment <sup>3</sup>	-	67,737	67,737
UCC adjustment (non QIP) <sup>6</sup>	-	N/A	N/A
1/2 year and UCC adjustments <sup>4</sup>	=	(67,737)	(67,737)
			(110,842)



- Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy
- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
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- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b). Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
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- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1 54 and 56
  - 1 1/2 for property in Class 55
  - 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
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- passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
- Note 14. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information.
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  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
- The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

Client copy

## S8Asset Capital Cost Allowance (CCA) Asset Manager

### Asset and Cost Information

Class	8-a
Description	Equipment
Account number	
Select rental property (Reg. 1100(11))	

### Cost

Cost, beginning	
Additions	661
Dispositions	
Cost, ending	661

Show the **Net Addition Calculation** section for accelerated CCA? ☒

### CCA

	Federal	Alberta	Québec
UCC, beginning	48,740	48,740	48,740
Total additions	661	661	661
AIIP additions included in the total additions	661	661	661
<b>Adjustments and transfers</b>			
Previous year ITC			
Other			
Assistance received or receivable subsequent to disposition <sup>7</sup>			
Assistance repaid subsequent to disposition <sup>8</sup>			
<b>Net adjustments and transfers</b>			
Adjusted UCC	49,401	49,401	49,401
Proceeds of disposition			
UCC before CCA	49,401	49,401	49,401
1/2 year and UCC adjustments <sup>4</sup>	(331)	(331)	(331)
Base for CCA	49,732	49,732	49,732
Rate	20 %	20 %	20 %
CCA <sup>**</sup>	9,946	9,946	9,946
Terminal loss			
Recapture			
UCC, ending	39,455	39,455	39,455

<sup>\*\*</sup> Class 14.1 accelerated CCA for amount transferred from Schedule 10 (ITR 1100(1)(c.1)). The CCA claim may be the greater of the calculated amount or \$500.

### Net addition calculation

Non AIIP addition			
Assistance (subsequent to disposition) allocated	+		
Disposition allocated <sup>5</sup>	-		
Net non-AIIP addition <sup>1</sup>	=		
AIIP addition		661	661
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>2</sup>	=	661	661
AIIP addition (non QIP) <sup>6</sup>		N/A	N/A
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>6</sup>	=	N/A	N/A
1/2 year adjustments			
UCC adjustment <sup>3</sup>	-	331	331
UCC adjustment (non QIP) <sup>6</sup>	-	N/A	N/A
1/2 year and UCC adjustments <sup>4</sup>	=	(331)	(331)



- Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy
- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). 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 (show amounts that reduce the undepreciated capital cost in brackets) 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 5. Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property continuously owned by the transferor for at least 364 days before the end of your tax year.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b). Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1 54 and 56
  - 1 1/2 for property in Class 55
  - 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. 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 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
- Note 14. 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.
- For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year.
- For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(y.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
- The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

Corporation name: Rideau St. Lawrence Distribution Inc.

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## S8Claim Capital Cost Allowance (CCA) Claim

### CCA Claim order

TaxCycle provides you with the option of defining the order that CCA properties are claimed in the return. The default method will mean properties will be claimed beginning with those that have the lowest CCA rate to the highest, followed by buildings at the end. To utilize a different option, select the checkbox next to your desired order of claiming CCA property.

#### Non-rental assets

- A ☒ Lowest CCA rate to highest, buildings claimed at end  
B ☐ Lowest CCA rate to highest  
C ☐ Lowest CCA amount to highest  
D ☐ Highest CCA amount to lowest

#### Rental assets

- A ☒ Lowest CCA rate to highest, buildings claimed at end  
B ☐ Lowest CCA rate to highest  
C ☐ Lowest CCA amount to highest  
D ☐ Highest CCA amount to lowest

### CCA claim for buildings

#### Non-rental assets

☒ Include CCA claim for buildings

#### Rental assets

☒ Include CCA claim for buildings

### CCA claim for rental properties

Limit CCA under Regulation 1100(11) for all rental statements?

Yes ☒ No ☐

### CCA claim for class 43.2 Specified Energy Properties

Limit CCA under Regulation 1100(24) to (29) for all class 43.2 assets?

Yes ☐ No ☒

Net income earned on these specified energy properties

### CCA Summary

Class number	Description	Rate	Available CCA Claim	Actual CCA Claim
1-a	Buildings	4	116,671	116,671
10-a	Computer hardware, systems software, motor vehicles	30	67,771	67,771
8-a	Certain property, furniture, appliances, tools costing \$500 or more, photocopiers, elec	20	9,946	9,946
45-a	Computer hardware	45	1,467	1,467
46-a	Data equipment and systems software, acquired after March 22, 2004	30	14	14
47-a	Property that is transmission or distribution equipment, equipment for purpose of prod	8	383,005	383,005
50-a	Computer hardware and systems software acquired after March 18, 2007	55	127,060	127,060
Total CCA Claim				705,934

Corporation name: Rideau St. Lawrence Distribution Inc.

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Canada Revenue  
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### Net Income (Loss) for Income Tax Purposes

**Schedule 1**  
Code 1901  
**Protected B**  
when completed

- Use this schedule to reconcile 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.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 ..... 226,705 A 163,243 Previous Fiscal Year

**Add:**

Provision for income taxes – deferred .....	<u>102</u>	<u>9,396</u>		<u>41,445</u>
Amortization of tangible assets .....	<u>104</u>	<u>375,155</u>		<u>386,765</u>
Loss on disposal of assets .....	<u>111</u>	<u>4,346</u>		<u>7,731</u>

**Meals and entertainment expenses, as well as club dues and fees**

**Expenses included in the financial statements:**

GIFI account 8523 .....	<u>1</u>
Other GIFI accounts .....	<u>2,238</u> 2
<b>Total</b> .....	<u>2,238</u> 3

**Determination of the non-deductible portion of the total above:**

Club dues and fees .....	<u>4</u>		
Unreasonable expenses .....	<u>100</u> %	<u>5</u>	
Long-haul truck driver .....	<u>20</u> %	<u>6</u>	
Fully deductible .....		<u>7</u>	
Remaining expenses .....	<u>2,238</u> 50 %	<u>1,119</u> 8	
<b>Total</b> .....	<u>2,238</u>	<u>1,119</u> 9	

(Enter the amounts from lines 4 and 9 on lines 120 and 121, respectively.)

Non-deductible meals and entertainment expenses .....	<u>121</u>	<u>1,119</u>		<u>8,466</u>
Amount D .....	<u>199</u>	<u>4,087</u>		<u>444,407</u>
<b>Total (lines 101 to 199)</b> .....	<u>500</u>	<u>394,103</u>	<u>394,103</u>	<u>607,650</u>

Amount A plus line 500 ..... 620,808 B 607,650

**Deduct:**

Capital cost allowance from Schedule 8 .....	<u>403</u>	<u>705,934</u>		<u>669,012</u>
Amount E .....	<u>499</u>	<u>705,934</u>		<u>669,012</u>
<b>Total (lines 401 to 499)</b> .....	<u>510</u>	<u>705,934</u>	<u>705,934</u>	<u>669,012</u>

**Net income (loss) for income tax purposes (amount B minus line 510)** ..... (85,126) C (61,362)

Enter amount C on line 300 on page 3 of the T2 return.

**Add:**

Taxable/non-deductible other comprehensive income items ..... 239 2,592 7,331

**Other additions:**

<b>1</b>	<b>2</b>		
<b>Description</b>	<b>Amount</b>		
<u>605</u>	<u>296</u>		
Change in future employee benefits .....	<u>1,495</u>		
<b>Total of column 2</b> .....	<u>1,495</u>	<u>296</u>	<u>1,135</u>

**Total of lines 201 to 249 and line 296** ..... 4,087 D 8,466

Enter amount D on line 199 on page 1.

**Total of lines 300 to 345 and line 396** ..... E

Enter amount E at line 499

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Canada Revenue Agency  
Agence du revenu du Canada

**Schedule 4**  
Code 1302  
**Protected B**  
when completed

### Corporation Loss Continuity and Application

- 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 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 .....		(85,126)	1A
Net capital losses deducted in the year (enter as a positive amount) .....			1B
Taxable dividends deductible under section 112 or subsection 113(1) or 138(6) .....			1C
Amount of Part VI.1 tax deductible under paragraph 110(1)(k) .....			1D
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2) .....			1E
Employer deduction in respect of non-qualified securities- Paragraph 110(1)(e) .....			1F
Subtotal (total of amounts 1B to 1F) .....			1G
Subtotal (amount 1A <b>minus</b> amount 1G; if positive, enter "0") .....		(85,126)	1H
Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions .....			1I
Subtotal (amount 1H <b>minus</b> amount 1I) .....		(85,126)	1J
Current-year farm loss (the lesser of: the net loss from farming or fishing included in income and the non-capital loss before deducting the farm loss) .....			1K
Current-year non-capital loss (amount 1J <b>plus</b> amount 1K; if positive, enter "0") .....		(85,126)	1L
If amount 1L 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 .....	161,122	1M
Non-capital loss expired ( <b>note 1</b> ) .....	100	
Non-capital losses at the beginning of the tax year (amount 1M <b>minus</b> line 100) .....	161,122	161,122
Non-capital losses transferred on an amalgamation or on the wind-up of a subsidiary ( <b>note 2</b> ) corporation .....	105	
Current-year non-capital loss (from amount 1L) .....	85,126	110
Subtotal (line 105 <b>plus</b> line 110) .....	85,126	85,126 1N
Subtotal (line 102 <b>plus</b> amount 1N) .....		246,248 1O

Note 1: A non-capital loss expires after 20 tax years and an allowable business investment loss becomes a net capital loss after 10 tax years, and the remaining shares are owned by persons that deal at arm's length with the parent corporation.

Note 2: Subsidiary is defined in subsection 88(1) as a taxable Canadian corporation of which 90% or more of each class of issued shares are owned by its parent corporation and the remaining shares are owned by persons that deal at arm's length with the parent corporation.

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<b>Part 1 - Non-capital losses (continued)</b>	
Other adjustments (includes adjustments for an acquisition of control) .....	<b>150</b>
Section 80 – Adjustments for forgiven amounts .....	<b>140</b>
Non-capital losses of previous tax years applied in the current tax year .....	<b>130</b>
Enter line 130 on line 331 of the T2 Return.	
Current and previous years non-capital losses applied against current-year taxable dividends subject to Part IV tax (note 3) .....	<b>135</b>
Subtotal (total of lines 150, 140, 130 and 135) .....	<b>1P</b>
Non-capital losses before any request for a carryback (amount 1O minus amount 1P) .....	<b>246,248 1Q</b>
<b>Request to carry back non-capital loss to:</b>	
First previous tax year to reduce taxable income .....	<b>901</b>
Second previous tax year to reduce taxable income .....	<b>902</b>
Third previous tax year to reduce taxable income .....	<b>903</b>
First previous tax year to reduce taxable dividends subject to Part IV tax .....	<b>911</b>
Second previous tax year to reduce taxable dividends subject to Part IV tax .....	<b>912</b>
Third previous tax year to reduce taxable dividends subject to Part IV tax .....	<b>913</b>
Total of requests to carry back non-capital losses to previous tax years (total of lines 901 to 913) .....	<b>1R</b>
Closing balance of non-capital losses to be carried forward to future tax years (amount 1Q minus amount 1R) .....	<b>180 246,248</b>
Note 3: Line 135 is the total of lines 330 and 335 from Schedule 3, Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation.	

<b>Part 2 - Capital losses</b>	
<b>Continuity of capital losses and request for a carryback</b>	
Capital losses at the end of the previous tax year .....	<b>200</b>
Capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation .....	<b>205</b>
Subtotal (line 200 plus line 205) .....	<b>2A</b>
Other adjustments (includes adjustments for an acquisition of control) .....	<b>250</b>
Section 80 – Adjustments for forgiven amounts .....	<b>240</b>
Subtotal (line 250 plus line 240) .....	<b>2B</b>
Subtotal (amount 2A minus amount 2B) .....	<b>2C</b>
Current-year capital loss (from the calculation on Schedule 6, Summary of Dispositions of Capital Property) .....	<b>210</b>
Unused non-capital losses from the 11th previous tax year (note 4) .....	<b>2D</b>
Allowable business investment losses (ABILs) that expired as non-capital losses at the end of the previous tax year (note 5) .....	<b>2E</b>
Enter amount 2D or 2E, whichever is less .....	<b>215</b>
ABILs expired as non-capital losses: line 215 multiplied by 2 .....	<b>220</b>
Subtotal (amount 2C plus line 210 plus line 220) .....	<b>2F</b>
<b>Note</b>	
If there has been an amalgamation or a wind-up of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary corporation. Add all these amounts and enter the total on line 220.	
Note 4: Determine the amount of the loss from the 11th previous tax year and enter the part of that loss that was not deducted in the previous 11 years.	
Note 5: Enter the amount of the ABILs from the 11th previous tax year. Enter the full amount on amount 2E.	

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**Part 2 - Capital losses (continued)**

Capital losses from previous tax years applied against the current-year net capital gain (note 6)	225	
Capital losses before any request for a carryback (amount 2F minus line 225)		2G
<b>Request to carry back capital loss to (note 7):</b>		
First previous tax year	951	
Second previous tax year	952	
Third previous tax year	953	
Subtotal (total of lines 951 to 953)		2H
Closing balance of capital losses to be carried forward to future tax years (amount 2G minus amount 2H) (note 8)	280	

Note 6: To get the net capital losses required to reduce the taxable capital gain included in the net income (loss) for the current tax year, enter the amount from line 225 divided by 2 at line 332 of the T2 return.

Note 7: On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, divide this amount by 2. The result represents the 50% inclusion rate.

Note 8: Capital losses can be carried forward indefinitely.

**Part 3 - Farm losses**

<b>Continuity of farm losses and request for a carryback</b>		
Farm losses at the end of the previous tax year		3A
Farm loss expired (note 9)	300	
Farm losses at the beginning of the tax year (amount 3A minus line 300)	302	
Farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	305	
Current-year farm loss (amount 1K in Part 1)	310	
Subtotal (line 305 plus line 310)		3B
Subtotal (line 302 plus amount 3B)		3C
Other adjustments (includes adjustments for an acquisition of control)	350	
Section 80 – Adjustments for forgiven amounts	340	
Farm losses of previous tax years applied in the current tax year Enter line 330 on line 334 of the T2 Return.	330	
Current and previous years farm losses applied against current-year taxable dividends subject to Part IV tax (note 10)	335	
Subtotal (total of lines 350, 340, 330 and 335)		3D
Farm losses before any request for a carryback (amount 3C minus amount 3D)		3E
<b>Request to carry back farm loss to:</b>		
First previous tax year to reduce taxable income	921	
Second previous tax year to reduce taxable income	922	
Third previous tax year to reduce taxable income	923	
First previous tax year to reduce taxable dividends subject to Part IV tax	931	
Second previous tax year to reduce taxable dividends subject to Part IV tax	932	
Third previous tax year to reduce taxable dividends subject to Part IV tax	933	
Subtotal (total of lines 921 to 933)		3F
Closing balance of farm losses to be carried forward to future tax years (amount 3E minus amount 3F)	380	

Note 9: A farm loss expires after 20 tax years.

Note 10: Line 335 is the total of lines 340 and 345 from Schedule 3.

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**Part 4 - Restricted farm losses**

**Current-year restricted farm loss**

Total losses for the year from farming business ..... **485**

(line 485 - \$2,500) divided by 2 = ..... **4A**

Amount 4A or \$15,000, whichever is less ..... **4B**

2,500 **4C**

Subtotal (amount 4B plus amount 4C) ..... **2,500 4D**

Current-year restricted farm loss (line 485 minus amount 4D) ..... **4E**

**Continuity of restricted farm losses and request for a carryback**

Restricted farm losses at the end of the previous tax year ..... **4F**

Restricted farm loss expired (note 11) ..... **400**

Restricted farm losses at the beginning of the tax year (amount 4F minus line 400) ..... **402**

Restricted farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation ..... **405**

Current-year restricted farm loss (from amount 4E) ..... **410**

Enter line 410 on line 233 of Schedule 1, Net Income (Loss) for Income Tax Purposes.

Subtotal (line 405 plus line 410) ..... **4G**

Subtotal (line 402 plus amount 4G) ..... **4H**

Restricted farm losses from previous tax years applied against current farming income ..... **430**

Enter line 430 on line 333 of the T2 return.

Section 80 - Adjustments for forgiven amounts ..... **440**

Other adjustments ..... **450**

Subtotal (total of lines 430 to 450) ..... **4I**

Restricted farm losses before any request for a carryback (amount 4H minus amount 4I) ..... **4J**

**Request to carry back restricted farm loss to:**

First previous tax year to reduce farming income ..... **941**

Second previous tax year to reduce farming income ..... **942**

Third previous tax year to reduce farming income ..... **943**

Subtotal (total of lines 941 to 943) ..... **4K**

Closing balance of restricted farm losses to be carried forward to future tax years (amount 4J minus amount 4K) **480**

**Note**

The total losses for the year from all farming businesses are calculated without including scientific research expenses.

Note 11: A restricted farm loss expires after 20 tax years.

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**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 ..... 5A

Listed personal property loss expired (**note 12**) ..... 500

Listed personal property losses at the beginning of the tax year (amount 5A minus line 500) ..... 502

Current-year listed personal property loss (from Schedule 6) ..... 510

Subtotal (line 502 plus line 510) ..... 5B

Listed personal property losses from previous tax years applied against listed personal property gains ..... 530

Enter line 530 on line 655 of Schedule 6.

Other adjustments ..... 550

Subtotal (line 530 plus line 550) ..... 5C

Listed personal property losses remaining before any request for a carryback (amount 5B minus amount 5C) ..... 5D

**Request to carry back listed personal property loss to:**

First previous tax year to reduce listed personal property gains ..... 961

Second previous tax year to reduce listed personal property gains ..... 962

Third previous tax year to reduce listed personal property gains ..... 963

Subtotal (total of lines 961 to 963) ..... 5E

Closing balance of listed personal property losses to be carried forward to future tax years (amount 5D minus amount 5E) **580**

Note 12: A listed personal property loss expires after 7 tax years.

**Part 6 - Analysis of balance of losses by year of origin**

Year of origin ( <b>note 13</b> )	Non-capital losses ( <b>note 14</b> )	Farm losses	Restricted farm losses	Listed personal property losses
2020/12/31	85,126			
2019/12/31	61,362			
2018/12/31				
2017/12/31				
2016/12/31				
2015/12/31	99,760			
2014/12/31				
2013/12/31				
2012/12/31				
2011/12/31				
2010/12/31				
2009/12/31				
2008/12/31				
2007/12/31				
2006/12/31				
2005/12/31				
2004/12/31				
2003/12/31				
2002/12/31				
2001/12/31				
2001/09/30				
<b>Total</b>	<b>246,248</b>			

Note 13: Enter each loss by year of origin, starting with the current year and going down to the 20th previous year.

Note 14: A non-capital loss expires after 20 tax years and an allowable business investment loss becomes a net capital loss after 10 tax years

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**Part 7 - Limited partnership losses**

**Current-year limited partnership losses**

1	2	3	4	5	6	7
Partnership account number	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
RZ						
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 account number	Tax year ending YYYY/MM/DD	Limited partnership losses at the end of the previous tax year and amounts transferred on an amalgamation or on the wind-up of a subsidiary	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 column 3 and 6)
630	632	634	636	638		650
RZ						

**Part 7 - Limited partnership losses (continued)**

**Continuity of limited partnership losses that can be carried forward to future tax years**

1	2	3	4	5	6
Partnership account number	Limited partnership losses at the end of the previous tax year	Limited partnership losses transferred in the year on an amalgamation or on the wind-up of a subsidiary	Current-year limited partnership losses (from line 620)	Limited partnership losses applied in the current year (must be equal to or less 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
RZ					
Total (enter this amount on line 335 of the T2 return)					

**Notes**

If you need more space, you can attach more schedules.

**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 ☐

In the case of the wind-up of a subsidiary, if the election is made, the non-capital loss, restricted farm loss, farm loss, or limited partnership loss of the subsidiary—that otherwise would become the loss of the parent corporation for a particular tax year starting after the the wind-up began—will be considered as the loss of the parent corporation for its immediately preceding tax year and not for the particular year.

**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.

Rideau St. Lawrence Distribution Inc.  
EB-2021-0056  
Exhibit 4 – Operating Expenses  
Filed: December 1, 2021

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**Capital Cost Allowance (CCA)**

**Schedule 8**  
Code 2001  
**Protected B**  
when completed

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	2	3	4	5	6	7	8	9
Class number	Undepreciated capital cost (UCC) at the beginning of the year	Cost of acquisitions during the year (new property must be available for use)	Cost of acquisitions from column 3 that are accelerated investment incentive property (AIIP) or zero-emission vehicle (ZEV)	Adjustments and transfers (show amounts that will reduce the undepreciated capital cost in brackets)	Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See note 5	Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6	Proceeds of dispositions See note 7	UCC (column 2 plus column 3 plus or minus column 5 minus column 8)
See note 1		See note 2	See note 3	See note 4		See note 6	See note 7	See note 8
<b>200</b>	<b>201</b>	<b>203</b>	<b>225</b>	<b>205</b>	<b>221</b>	<b>222</b>	<b>207</b>	
1-a	2,913,900	1,914		1,914				2,915,814
10-a	225,903							225,903
8-a	48,740	661		661				49,401
45-a	3,261							3,261
46-a	46							46
47-a	3,904,194	588,910		588,910				4,493,104
50-a	27,809	135,473		135,473				163,282
	7,123,853	726,958		726,958				7,850,811

10	11	12	13	13A	14	15	16	17	18
Proceeds of disposition available to reduce the UCC of AIIP and ZEV (column 8 plus column 6 minus column 3 plus column 4 minus column 7) (if negative, enter "0")	Net capital cost additions of AIIP and ZEV acquired during the year (column 4 minus column 10) (if negative, enter "0")	UCC adjustment for AIIP and ZEV acquired during the year (column 11 multiplied by the relevant factor)	UCC adjustment for property acquired during the year other than AIIP and ZEV (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7 minus column 8) (if negative, enter "0")	UCC before CCA	CCA rate %	Recapture of CCA	Terminal loss	CCA (for declining balance method, the result of column 9 plus column 12 minus column 13, multiplied by column 14 or a lower amount)	UCC at the end of the year (column 9 minus column 17)
		See note 9	See note 10		See note 11	See note 12	See note 13	See note 14	
			<b>224</b>		<b>212</b>	<b>213</b>	<b>215</b>	<b>217</b>	<b>220</b>
1		1,914	957		2,916,771	4		116,671	2,799,143
2					225,903	30		67,771	158,132
3		661	331		49,732	20		9,946	39,455
4					3,261	45		1,467	1,794
5					46	30		14	32
6		588,910	294,455		4,787,559	8		383,005	4,110,099
7		135,473	67,737		231,019	55		127,060	36,222

Rideau St. Lawrence Distribution Inc.  
EB-2021-0056  
Exhibit 4 – Operating Expenses  
Filed: December 1, 2021

Corporation name: Rideau St. Lawrence Distribution Inc.	Business number: 964951993RC0001	Year end: 2020-12-31
	726,958	363,480
		8,214,291

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Maximum CCA available for other assets	705,934
Optimized amount	705,934
Claim a different amount?	No
Maximum CCA available for Rental assets	
Optimized amount	
Claim a different amount?	No

Enter the total of column 15 on line 107 of Schedule 1.  
Enter the total of column 16 on line 404 of Schedule 1.  
Enter the total of column 17 on line 403 of Schedule 1.

		CCA claim for the year	
Totals		705,934	7,144,877

- Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy
- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). 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 (show amounts that reduce the undepreciated capital cost in brackets) 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 5. Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property continuously owned by the transferor for at least 364 days before the end of your tax year.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b). Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1 54 and 56
  - 1 1/2 for property in Class 55
  - 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. 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 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
- Note 14. 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.
- For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year.
- For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(y.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
- The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**RELATED AND ASSOCIATED CORPORATIONS**  
(2011 and later tax years)

**SCHEDULE 9**  
Code 1101

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

	Name	Country of residence (other than Canada)	Business number (see note 1)	Relationship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Rideau St. Lawrence Holdings Inc.		891709610 RC0002	1					
2.	Rideau St. Lawrence Services Inc.		864851795 RC0001	3					
3.	Rideau St. Lawrence Utilities Inc.		891875817 RC0001	3					

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

Note 2: Enter the code number of the relationship that applies from the following order:

1 - Parent

2 - Subsidiary

3 - Associated

4 - Related but not associated

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**SCHEDULE 23**

Code 1901

**Protected B**  
when completed

**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 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 must 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, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

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

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

- Associated for purposes of allocating the business limit (unless association code 5 applies)
- CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be an Associated Corporation Through a Third Corporation
- Non-CCPC that is a **third corporation**
- Associated non-CCPC
- Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

**Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3.

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

**Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

**Allocating the business limit**

Date filed (do not use this area) ..... **025**

Year	Month	Day

Enter the calendar year the agreement applies to ..... **050**

Year
2 0 2 0

Is this an amended agreement for the above calendar year that is intended to replace agreement previously filed by any of the associated corporations listed below? ..... **075** 1 Yes ☐ 2 No ☒

1	2	3	4	5	6
Names of associated corporations	Business number of associated corporations	Association code	Tax year start	Tax year end	Business limit allocated * \$
<b>100</b>	<b>200</b>	<b>300</b>			<b>400</b>
1. Rideau St. Lawrence Distribution Inc.	864851993RC0001	1	2020/01/01	2020/12/31	500,000
2. Rideau St. Lawrence Holdings Inc.	891709610RC0002	1	2020/01/01	2020/12/31	500,000
3. Rideau St. Lawrence Services Inc.	864851795RC0001	1	2020/01/01	2020/12/31	500,000
4. Rideau St. Lawrence Utilities Inc.	891875817RC0001	1	2020/01/01	2020/12/31	500,000
Total A					500,000

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

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula  $0.225\% \times (C - \$10,000,000)$ . Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

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

**Special rules for business limit**

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

Rideau St. Lawrence Distribution Inc.  
EB-2021-0056  
Exhibit 4 – Operating Expenses  
Filed: December 1, 2021

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**Shareholder Information**

**Schedule 50**  
Code 0602  
**Protected B**  
when completed

- 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 (business number, partnership account number, social insurance number or trust number) per shareholder.

Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business number (9 digits, 2 letters, and 4 digits. If not registered, enter "NR")	Partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "NR")	Social insurance number (9 digits)	Trust number (T followed by 8 digits)	Percentage common shares	Percentage preferred shares
<b>100</b>	<b>200</b>	<b>200</b>	<b>300</b>	<b>350</b>	<b>400</b>	<b>500</b>
1. Rideau St. Lawrence Holdings Inc.	891709610 RC0002	RZ		T	100.000	

## T2 Summary for Rideau St. Lawrence Distribution Inc.

### Identification

Taxation year end:	20201231	P.O. Box 699	Email
Business Number :	864851993 RC0001	985 Industrial Road	Phone (613) 925-3851
		Prescott	Website:
		K1O1T0	

### Tax and credits

(Effective Part I corporate tax rate: %)



#### Taxable income

Net income or (loss) for tax purposes	300	(85,126)
<b>Taxable income</b>	<b>360</b>	

#### Part I Tax

<b>Subtotal</b>	
<b>Part I tax payable</b>	

#### Summary of Tax and Credits

<b>Total federal tax</b>	
Provincial or territorial jurisdiction	750 ON
<b>Total tax payable</b>	<b>770</b>
<b>Total credits</b>	<b>890</b>
<b>Bal. owing (refund) in T2 return</b>	

### Additional tax information

Refundable portion of Part I tax	Net-capital losses	
Capital dividend account balance at year end	Non-capital losses	246,248
GRIP bal. at year end (Net of dividend pmt.)	Farm losses	
LRIP bal. at year end	Restricted farm losses	
Dividend paid	Unused charitable donation	
Taxable dividend received	Active business income	
Business limit received (SCI)	Business limit assigned (SCI)	

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## Summary 5 Year Comparative of Schedule 1 for Rideau St. Lawrence Distribution Inc.

Net Income for Tax Purposes		2020/12/31	2019/12/31	2018/12/31	2017/12/31	2016/12/31
Tax year ending:						
From line 9999 from Schedule 125		226,705	163,243	135,249		
<b>Add:</b>						
Provision For Income Taxes Current	101			(5,466)		
Provision For Income Taxes Deferred	102	9,396	41,445	41,579		
Interest and penalties on taxes	103					
Amortization of tangible assets	104	375,155	386,765	407,196		
Amortization of natural resource assets	105					
Amortization of intangible assets	106					
Recapture of CCA from Schedule 8	107					
Gain on sale of eligible capital property						
Loss in equity of subsidiaries and affiliates	110					
Loss on disposal of assets	111	4,346	7,731	8,614		
Charitable donations and gifts	112					
Taxable Capital Gains	113					
Political donations	114					
Holdbacks	115					
Deferred and prepaid expenses	116					
Depreciation in inventory	117					
Scientific research expenditures	118					
Capitalized interest	119					
Non-deductible club dues & fees	120					
Non-deductible meals & entertainment	121	1,119				
Non-deductible automobile expenses	122					
Non-deductible life insurance expenses	123					
Non-deductible company pension plans	124					
Other reserves from S13	125					
Reserves from financial statements	126					
Soft costs on construction and renovations	127					
Non-deductible fines and penalties	128					
Income or loss - partnerships	129					
Amounts calculated under section 34.2	130					
Income shortfall adjustment	131					
Income or loss - joint ventures	132					
Accounts payable and accrual	201					
Accounts receivable and prepaid	202					
Accrual inventory - opening	203					
Accrued dividends - prior year	204					
Capital items expensed	206					
Debt issue expense	208					
Deemed dividend income	209					
Deemed interest on loans to non-residents	210					
Deemed interest received	211					
Development expenses claimed	212					
Dividend stop-loss adjustment	213					
Dividends credited to investments	214					
Exploration expenses claimed in year	215					
Financing fees deducted in books	216					
Foreign accrual property income	217					
Foreign affiliate property income	218					
Foreign exchange inc. in retained earnings	219					
Gain on settlement of debt	220					
Interest paid on income debentures	221					
Limited partnership losses (Schedule 4)	222					

Corporation name: Rideau St. Lawrence Distribution Inc.		Business number: 864851993RC0001		Year end: 2020-12-31		Client copy	
Loss from international banking centres							
Mandatory inventory adjustment – current	224						
Non-deductible advertising	226						
Non-deductible interest	227						
Non-deductible legal and accounting fees	228						
Optional value of inventory – current	229						
Other expenses from financial statements	230						
Recapture of SR&ED expenditures	231						
Resource amounts deducted	232						
Restricted farm losses – current year	233						
Sales tax assessments	234						
Share issue expense	235						
Write-down of capital property	236						
Qualifying environmental amounts	237						
Contractor's completion method adjust.	238						
Taxable/non-deductible other comp. inc.	239	2,592	7,331	9,643			
Book loss on joint ventures	248						
Book loss on partnerships	249						
Other additions (total)	296	1,495	1,135	1,103			
Total of lines 101 to 296		394,103					
<b>Deduct:</b>							
Tax year ending:		2020/12/31	2019/12/31	2018/12/31	2017/12/31	2016/12/31	
Gain on disposal of assets per statements	401						
Non-taxable dividend under section 83	402						
Capital cost allowance from Schedule 8	403	705,934	669,012	634,356			
Terminal loss from Schedule 8	404						
Cumulative eligible capital deduction							
Allowable business investment loss	406						
For. non-bus. tax deduct subsection 20(12)	407						
Holdbacks	408						
Deferred and prepaid expenses	409						
Depreciation in inventory – end prior year	410						
SR&ED expenditures claimed in the year	411						
Other reserves on line 280	413						
Reserves from financial statements	414						
Patronage dividend deduction	416						
Contributions to deferred income plans	417						
Incorporation expenses under paragraph 20(1)(b)	418						
Accounts payable and accruals	300						
Accounts receivable and prepaid	301						
Accrual inventory – closing	302						
Accrued dividends – current year	303						
Bad Debt	304						
Equity in income from subsidiaries/affil.	306						
Exempt income under section 81	307						
Income from international banking centres							
Mandatory inventory adjustment	309						
Contributions to a qualifying enviro. trust	310						
Non-Canadian advertising – broadcasting	311						
Non-Canadian advertising – printed	312						
Optional value of inventory	313						
Other income from financial statements	314						
Payments made for allocations	315						
Contractor's completion method adjust.	316						
Non-taxable other comprehensive income	347						
Book income on joint venture	348						
Book income on partnership	349						
Canadian development expenses	340						
Canadian exploration expenses	341						
Canadian oil and gas property expenses	342						
Depletion from Schedule 12	344						
Foreign explore & development expenses	345						
Other deductions	396						
Total of lines 401 to 396		705,934					
Net income or (loss) for tax purposes		(85,126)	(61,362)				
5 Year Summary (S1)							

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## Summary 5 Year Comparative for Rideau St. Lawrence Distribution Inc.

### Taxable Income

Tax year ending:	2020/12/31	2019/12/31	2018/12/31	2017/12/31	2016/12/31
Net income or (loss) for tax purposes	(85,126)	(61,362)	(36,438)	(55,115)	(8,207)
<b>Deduct</b>					
Charitable donations from Schedule 2	311				
Gifts to Canada, a province, or a territory					
Cultural gifts from Schedule 2	313				
Ecological gifts from Schedule 2	314				
Gift of medicine from Schedule 2	315				
Taxable dividends deductible	320				
Part VI.1 tax deduction	325				
Non-capital losses of previous tax years	331				
Net-capital losses of previous tax years	332				
Restricted farm losses of previous years	333				
Farm losses of previous tax years	334				
Limited partner losses of previous years	335				
Taxable capital gains from a central CU	340				
Prospector's and grubstaker's shares	350				
<b>Subtotal</b>					
<b>Subtotal (if negative, enter "0")</b>					
<b>Add</b>					
Section 110.5 or 115(1)(a)(vii) additions	355				
Taxable income	360				
Income exempt under paragraph 149(1)(t)	370				
<b>Taxable income (net of exempt income)</b>					
<b>Active business income</b>					

### Part I Tax

Tax year ending:	2020/12/31	2019/12/31	2018/12/31	2017/12/31	2016/12/31
Base amount Part I tax	550				
Personal services business income tax	560				
Recapture of investment tax credit	602				
Refundable tax on investment income	604				
<b>Subtotal</b>					
<b>Deduct</b>					
Small business deduction from line 430					
Federal tax abatement	608				
Manufacturing/processing profits deduction	616				
Investment corporation deduction	620				
Additional deduction – credit unions					
Federal foreign non-business income cred.	632				
Federal foreign business income tax credit	636				
General tax reduction for CCPCs (M)	638				
General tax reduction (X)	639				
Federal logging tax credit	640				
Eligible Canadian bank deduction	641				
Federal environmental trust tax credit	648				
Investment tax credit	652				
<b>Subtotal</b>					
<b>Part I tax payable</b>					

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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# Summary of Tax and Credits

Tax year ending:	2020/12/31	2019/12/31	2018/12/31	2017/12/31	2016/12/31
Part I tax payable	700				
Part II surtax payable					
Part III.1 tax payable	710				
Part IV tax payable	712				
Part IV.1 tax payable	716				
Part VI tax payable	720				
Part VI.1 tax payable	724				
Part XIII.1 tax payable	727				
Part XIV tax payable	728				
<b>Total federal tax</b>					
Net provincial or territorial tax payable	760				
<b>Total tax payable</b>	770				
<b>Deduct</b>					
Investment tax credit refund	780				
Dividend refund	784				
Federal capital gains refund	788				
Federal environmental trust credit refund	792				
Canadian film or video production refund	796				
Film/video prod'n services tax credit refund	797				
Canadian journalism labour tax credit	798				
Tax withheld at source	800				
Provincial/territorial cap. gains refund	808				
Provincial and territorial refundable credits	812				
Tax instalments paid	840				7,305
<b>Total credits</b>	890				7,305
<b>Balance owing (refund)</b>					(7,305)

## **Appendix 4.3 – 2020 Federal Tax Return**

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## Information Return for Corporations Filing Electronically

- Do not send this form to the Canada Revenue Agency (CRA) unless we ask for it. We will not keep or return this form.
- Complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed with the CRA on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the Income Tax Act, you have to keep all records used to prepare your T2 Corporation Income Tax Return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your T2 Corporation Income Tax Return.
- Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted your return.

### Part 1 – Identification

Corporation's name Rideau St. Lawrence Distribution Inc.						Business number 8,6,4,8,5,1,9,9,3   R,C   0,0,0,1					
Tax year start	Year	Month	Day	Tax year-end	Year	Month	Day	Is this an amended return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
	2,0,2,0	0,1	0,1		2,0,2,0	1,2	3,1				

Get your CRA mail electronically delivered in My Business Account at [canada.ca/my-cra-business-account](https://canada.ca/my-cra-business-account) (optional)

Email address: \_\_\_\_\_

I understand that by providing an email address, I am registering the corporation to receive email notifications from the CRA. I understand and agree that all notices and other correspondence eligible for electronic delivery will no longer be printed and mailed. The CRA will notify the corporation at this email address when they are available in My Business Account and requiring immediate attention. They will be presumed to have been received on the date that the email is sent. For more information, see [canada.ca/cra-business-email-notifications](https://canada.ca/cra-business-email-notifications).

### Part 2 – Declaration

Enter the following amounts, if applicable, from the T2 return for the tax year noted above:

Net income or loss for income tax purposes from Schedule 1, financial statements, or General Index of Financial Information (GIFI) (line 300)	(85,126)
Part I tax payable (line 700)	
Part III.1 tax payable (line 710)	
Part IV tax payable (line 712)	
Part IV.1 tax payable (line 716)	
Part VI tax payable (line 720)	
Part VI.1 tax payable (line 724)	
Part XIV tax payable (line 728)	
Net provincial and territorial tax payable (line 760)	

### Part 3 – Certification and authorization

I, SOULES Last name PETER First name CFO Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined the T2 Corporation Income Tax Return, including accompanying schedules and statements, and that the information given on the T2 return and this T183 Corp information 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.

I authorize the transmitter identified in Part 4 to electronically file the T2 Corporation Income Tax Return identified in Part 1. The transmitter can also modify the information originally filed in response to any errors Canada Revenue Agency identifies. This authorization expires when the Minister of National Revenue accepts the electronic return as filed.

20210629 Date (yyyy/mm/dd) (613) 925-3851 Telephone number

Signature of an authorized signing officer of the corporation \_\_\_\_\_

### Part 4 – Transmitter identification

The following transmitter has electronically filed the tax return of the corporation identified in Part 1.

<u>MNP LLP</u> Name of person or firm	<u>S5762</u> Electronic filer number
---------------------------------------	--------------------------------------

### Privacy statement

Personal information is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 and CRA PPU 211 on Info Source at [canada.ca/cra-info-source](https://canada.ca/cra-info-source).

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## T2 Corporation Income Tax Return

200

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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. A shorter version of the return, the T2SHORT, is available for eligible corporations.

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. You have to file the return within six months after the end of the corporation's tax year.

For more information see [canada.ca/taxes](http://canada.ca/taxes) or Guide T4012, T2 Corporation – Income Tax Guide.

### Identification

Business Number (BN) ..... 001 864851993 RC0001	
Corporation's name 002 Rideau St. Lawrence Distribution Inc.	
Address of head office Has this address changed since the last time we were notified? ..... 010 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 011 to 018. 011 P.O. Box 699 012 985 Industrial Road City ..... 016 ON Province, territory, or state 015 Prescott Postal or ZIP code Country (other than Canada) ..... 017 K0E 1T0	
Mailing address (if different from head office address) Has this address changed since the last time we were notified? ..... 020 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 021 to 028. 021 c/o 022 P.O. Box 699 023 985 Industrial Road City ..... 026 ON Province, territory, or state 025 Prescott Postal or ZIP code Country (other than Canada) ..... 027 K0E 1T0	
Location of books and records (if different from head office address) Has this address changed since the last time we were notified? ..... 030 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 031 to 038. 031 P.O. Box 699 032 985 Industrial Road City ..... 036 ON Province, territory, or state 035 Prescott Postal or ZIP code Country (other than Canada) ..... 037 K0E 1T0	
040 Type of corporation at the end of the tax year (tick one) 1 <input checked="" type="checkbox"/> Canadian-controlled private corporation (CCPC) 2 <input type="checkbox"/> Other private corporation 3 <input type="checkbox"/> Public corporation 4 <input type="checkbox"/> Corporation controlled by a public corporation 5 <input type="checkbox"/> Other corporation (specify) ..... If the type of corporation changed during the tax year, provide the effective date of the change ..... 043 Year Month Day	
To which tax year does this return apply? Tax year start ..... 060 2,0,2,0,1,0,1,1 Year Month Day Tax year end ..... 061 2,0,2,0,1,2,3,1 Year Month Day Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? ..... 063 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, provide the date control was acquired ..... 065 Year Month Day Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? ..... 066 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Is the corporation a professional partnership? ..... 067 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Is this the first year of filing after: Incorporation? ..... 070 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Amalgamation? ..... 071 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 030 to 038 and attach Schedule 24. Has there been a wind-up of a subsidiary under section 88 during the current tax year? ..... 072 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete and attach Schedule 24. Is this the final tax year before amalgamation? ..... 076 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Is this the final return up to dissolution? ..... 078 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If an election was made under section 261, state the functional currency used ..... 079 Is the corporation a resident of Canada? ..... 080 Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If no, give the country of residence on line 081 and complete and attach Schedule 97. 081 Is the non-resident corporation claiming an exemption under an income tax treaty? ..... 082 Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, complete and attach Schedule 91. If the corporation is exempt from tax under section 149, tick one of the following boxes: 085 1 <input type="checkbox"/> Exempt under paragraph 149(1)(e) or (l) 2 <input type="checkbox"/> Exempt under paragraph 149(1)(j) 4 <input checked="" type="checkbox"/> Exempt under other paragraphs of section 149	
Do not use this area	
095	096
898	

Prepared without audit based on information provided by the taxpayer.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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Attachments		Yes	Schedule
<b>Financial statement information:</b> Use GIFL schedules 100, 125, and 141.			
<b>Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.</b>			
Is the corporation related to any other corporations? .....	150	<input checked="" type="checkbox"/>	9
Is the corporation an associated CCPC? .....	160	<input checked="" type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit? .....	161	<input type="checkbox"/>	49
Does the corporation have any non-resident shareholders who own voting shares? .....	151	<input type="checkbox"/>	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents. ....	162	<input type="checkbox"/>	11
If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee? .....	163	<input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada? .....	164	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan? .....	165	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter? .....	166	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned? .....	167	<input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)? .....	168	<input type="checkbox"/>	22
Did the corporation own any shares in one or more foreign affiliates in the tax year? .....	169	<input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the <i>Income Tax Regulations</i> ? .....	170	<input type="checkbox"/>	29
Did the corporation have a total amount over CAN\$1 million of reportable transactions with non-arm's length non-residents? .....	171	<input type="checkbox"/>	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares? .....	173	<input checked="" type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year? .....	172	<input type="checkbox"/>	---
Does the corporation earn income from one or more Internet webpages or websites? .....	180	<input type="checkbox"/>	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes? .....	201	<input checked="" type="checkbox"/>	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine? .....	202	<input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund? .....	203	<input type="checkbox"/>	3
Is the corporation claiming any type of losses? .....	204	<input checked="" type="checkbox"/>	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction? .....	205	<input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year? .....	206	<input type="checkbox"/>	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or	207	<input type="checkbox"/>	7
ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)? .....	208	<input checked="" type="checkbox"/>	8
Does the corporation have any property that is eligible for capital cost allowance? .....	212	<input type="checkbox"/>	12
Does the corporation have any resource-related deductions? .....	213	<input type="checkbox"/>	13
Is the corporation claiming deductible reserves? .....	216	<input type="checkbox"/>	16
Is the corporation claiming a patronage dividend deduction? .....	217	<input type="checkbox"/>	17
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction? .....	218	<input type="checkbox"/>	18
Is the corporation an investment corporation or a mutual fund corporation? .....	220	<input type="checkbox"/>	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits? .....	221	<input type="checkbox"/>	21
Does the corporation have any Canadian manufacturing and processing profits? .....	227	<input type="checkbox"/>	27
Is the corporation claiming an investment tax credit? .....	231	<input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures? .....	232	<input type="checkbox"/>	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000? .....	233	<input type="checkbox"/>	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000? .....	234	<input type="checkbox"/>	---
Is the corporation subject to gross Part VI tax on capital of financial institutions? .....	238	<input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit? .....	242	<input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid? .....	243	<input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax? .....	244	<input type="checkbox"/>	45
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax? .....	250	<input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit? .....	253	<input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit? .....	254	<input type="checkbox"/>	T1177
Is the corporation claiming a Canadian journalism labour tax credit? .....	272	<input type="checkbox"/>	58
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.) .....	255	<input type="checkbox"/>	92

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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

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

Taxable income		
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIF	300	(85,126) A
<b>Deduct:</b>		
Charitable donations from Schedule 2	311	
Cultural gifts from Schedule 2	313	
Ecological gifts from Schedule 2	314	
Gifts of medicine made before March 22, 2017, 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	
Employer deduction in respect of non-qualified securities - Paragraph 110(1)(e)		
Subtotal		B
Subtotal (amount A minus amount B) (if negative, enter "0")		C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355	D
<b>Taxable income</b> (amount C plus amount D)	360	

\* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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Small business deduction									
<b>Canadian-controlled private corporations (CCPCs) throughout the tax year</b>									
Income eligible for the small business deduction from Schedule 7						400			A
Taxable income from line 360 on page 3, minus 100/28 of the amount on line 632* on page 8, minus 4 times the amount on line 636** on page 8, 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	498,541		C
<b>Notes:</b>									
1. For CCPCs that are not associated, enter \$500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year divided by 365, and enter the result on line 410.									
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.									
<b>Business limit reduction:</b>									
<b>Taxable capital business limit reduction</b>									
Amount C 498,541 x 415***						D		E	
						11,250			
<b>Passive income business limit reduction</b>									
Adjusted aggregate investment income from Schedule 7 ****						417		F	
						- 50,000 =			
Amount C 498,541 x Amount F								G	
100,000									
						The greater of amount E and amount G		422 H	
Reduced business limit (amount C minus amount H) (if negative, enter "0")						426		498,541 I	
Business limit the CCPC assigns under subsection 125(3.2) (from line 515)								J	
Reduced business limit after assignment (amount I minus amount J)						428		498,541 K	
<b>Small business deduction</b>									
Amount A, B, C, or K, whichever is the least						x		No. of days on or after January 1, 2018 and before January 1, 2019	
								366	
								x 18.0 %	
								=	
Amount A, B, C, or K, whichever is the least						x		No. of days on or after January 1, 2019	
								366	
								x 19.0 %	
								=	
Total of the above amounts								430	
Enter amount from line 430 at amount J on page 8.									
* 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.									
*** <b>Large corporations</b>									
• 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.									
**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.									

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**Small business deduction (continued)**

**Specified corporate income and assignment under subsection 125(3.2)**

L Business number of the corporation receiving the assigned amount	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L <sup>3</sup>	N Business limit assigned to corporation identified in column L <sup>4</sup>
490	500	505
RC		
Total	510	515

**Notes**

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
- (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
- (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
- (i) persons (other than the private corporation) with which the corporation deals at arm's length, or
- (ii) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula  $A - B$ , where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

**General tax reduction for Canadian-controlled private corporations**

**Canadian-controlled private corporations throughout the tax year**

Taxable income from line 360 on page 3 ..... A

Lesser of amounts 9B and 9H from Part 9 of Schedule 27 ..... B

Amount 13K from Part 13 of Schedule 27 ..... C

Personal services business income ..... 432 D

Amount from line 400, 405, 410, or 428 on page 4, whichever is the least ..... E

Aggregate investment income from line 440 on page 6\* ..... F

Subtotal (add amounts B to F) ..... G

Amount A minus amount G (if negative, enter "0") ..... H

**General tax reduction for Canadian-controlled private corporations – Amount H multiplied by 13% ..... I**

Enter amount I on line 638 on page 8.

\* 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 line 360 on page 3 ..... J

Lesser of amounts 9B and 9H from Part 9 of Schedule 27 ..... K

Amount 13K from Part 13 of Schedule 27 ..... L

Personal services business income ..... 434 M

Subtotal (add amounts K to M) ..... N

Amount J minus amount N (if negative, enter "0") ..... O

**General tax reduction – Amount O multiplied by 13% ..... P**

Enter amount P on line 639 on page 8.

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Refundable portion of Part I tax			
Canadian-controlled private corporations throughout the tax year			
Aggregate investment income from Schedule 7	440	$\times 30 \frac{2}{3}\% =$	A
Foreign non-business income tax credit from line 632 on page 8			B
Foreign investment income from Schedule 7	445	$\times 8\% =$	C
Subtotal (amount B minus amount C) (if negative, enter "0")			D
Amount A minus amount D (if negative, enter "0")			E
Taxable income from line 360 on page 3			F
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least			G
Foreign non-business income tax credit from line 632 on page 8		$\times 75/29$	H
Foreign business income tax credit from line 636 on page 8		$\times 4 =$	I
Subtotal (add amounts G to I)			J
Subtotal (amount F minus amount J)			K
			$\times 30 \frac{2}{3}\% =$
			L
Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)			M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least			N
			450

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Refundable dividend tax on hand	
Refundable dividend tax on hand (RDTOH) at the end of the previous tax year .....	460
Dividend refund for the previous tax year .....	465
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary .....	480
Subtotal (line 460 minus line 465 plus line 480) .....	A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53) .....	B
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53) .....	C
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53) .....	D
Subtotal (amount C minus amount D) (if negative, enter "0") .....	E
Net GRIP at the end of the previous tax year (amount B minus amount E) (if negative, enter "0") .....	F
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53) .....	G
Subtotal (amount F plus amount G) .....	H
Amount H multiplied by 38 1/3% .....	I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year) .....	520
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A minus amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0") .....	535
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3) .....	L
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3) .....	M
Subtotal (amount L plus amount M) .....	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary .....	525
ERDTOH dividend refund for the previous tax year .....	570
Refundable portion of Part I tax (from line 450 on page 6) .....	Q
Part IV tax before deductions (amount 2A from Schedule 3) .....	R
Part IV tax allocated to ERDTOH (amount N) .....	S
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43) .....	T
Subtotal (amount R minus total of amounts S and T) .....	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary .....	540
NERDTOH dividend refund for the previous tax year .....	575
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3) .....	X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U minus amount X) (if negative enter "0") .....	Y
NERDTOH at the end of the tax year (total of amounts K, Q, V, and Y minus amount W) (if negative, enter "0") .....	545
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N minus the amount, if any, by which amount X exceeds amount U) (if negative, enter "0") .....	Z
ERDTOH at the end of the tax year (total of amounts J, O, and Z minus amount P) (if negative, enter "0") .....	530

Dividend refund	
38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3) .....	AA
ERDTOH balance at the end of the tax year (line 530) .....	BB
Eligible dividend refund (amount AA or BB, whichever is less) .....	CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3) .....	DD
NERDTOH balance at the end of the tax year (line 545) .....	EE
Non-eligible dividend refund (amount DD or EE, whichever is less) .....	FF
Amount DD minus amount EE (if negative, enter "0") .....	GG
Amount BB minus amount CC (if negative, enter "0") .....	HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less) .....	II
Dividend refund – Amount CC plus amount FF plus amount II .....	JJ
Enter amount JJ on line 784 on page 9.	

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Part I tax	
Base amount Part I tax – Taxable income (from line 360 on page 3) multiplied by 38%.....	550 A
<b>Additional tax on personal services business income (section 123.5)</b>	
Taxable income from a personal services business ..... 555 × 5% =	560 B
Recapture of investment tax credit from Schedule 31.....	602 C
<b>Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income</b> (if it was a CCPC throughout the tax year)	
Aggregate investment income from line 440 on page 6.....	D
Taxable income from line 360 on page 3.....	E
<b>Deduct:</b>	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least.....	F
Net amount (amount E minus amount F).....	G
Refundable tax on CCPC's investment income – 10 2/3% of whichever is less: amount D or amount G.....	604 H
Subtotal (add amounts A, B, C, and H).....	I
<b>Deduct:</b>	
Small business deduction from line 430 on page 4.....	J
Federal tax abatement.....	608
Manufacturing and processing profits deduction from Schedule 27.....	616
Investment corporation deduction.....	620
Taxed capital gains.....	624
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 I on page 5.....	638
General tax reduction from amount P 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.....	K
<b>Part I tax payable</b> Amount I minus amount K.....	L
Enter amount L on line 700 on page 9.	

Privacy statement
Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at <a href="http://canada.ca/cra-info-source">canada.ca/cra-info-source</a> .

Corporation name: Rideau St. Lawrence Distribution Inc.

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Summary of tax and credits	
<b>Federal tax</b>	
Part I tax payable from amount L on page 8 .....	700
Part III.1 tax payable from Schedule 55 .....	710
Part IV tax payable from Schedule 3 .....	712
Part IV.1 tax payable from Schedule 43 .....	716
Part VI tax payable from Schedule 38 .....	720
Part VI.1 tax payable from Schedule 43 .....	724
Part XIII.1 tax payable from Schedule 92 .....	727
Part XIV tax payable from Schedule 20 .....	728
Total federal tax .....	
<b>Add provincial or territorial tax:</b>	
Provincial or territorial jurisdiction .....	750 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)	
Net provincial or territorial tax payable (except Quebec and Alberta) .....	760
Total tax payable .....	770 A
<b>Deduct other credits:</b>	
Investment tax credit refund from Schedule 31 .....	780
Dividend refund from amount JJ on page 7 .....	784
Federal capital gains refund from Schedule 18 .....	788
Federal qualifying environmental trust tax credit refund .....	792
Canadian film or video production tax credit (Form T1131) .....	796
Film or video production services tax credit (Form T1177) .....	797
Canadian journalism labour tax credit from Schedule 58 .....	798
Tax withheld at source .....	800
Total payments on which tax has been withheld .....	801
Provincial and territorial capital gains refund from Schedule 18 .....	808
Provincial and territorial refundable tax credits from Schedule 5 .....	812
Tax instalments paid .....	840
Total credits .....	890 B
Balance (amount A minus amount B) .....	
If the result is negative, you have a <b>refund</b> . If the result is positive, you have a <b>balance owing</b> . Enter the amount on whichever line applies. Generally, we do not charge or refund a difference of \$2 or less.	
Refund code .....	894
Refund .....	
<b>Direct deposit request</b> To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below: <input type="checkbox"/> Start <input type="checkbox"/> Change information Branch number .....	
Institution number .....	914
Account number .....	918
Balance owing .....	
For information on how to make your payment, go to <a href="https://canada.ca/payments">canada.ca/payments</a> . 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? .....	
If this return was prepared by a tax preparer for a fee, provide their EFIL number .....	
896 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> 920 S5762	
<b>Certification</b>	
I, .....	950 SOULES
Last name .....	951 PETER
First name .....	954 CFO
Position, office, or rank .....	
am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.	
Date (yyyy/mm/dd) .....	955 2,0,2,1 0,6 2,9
Signature of the authorized signing officer of the corporation .....	
Telephone number .....	
Is the contact person the same as the authorized signing officer? If <b>no</b> , complete the information below .....	
957 Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> 958 ( ) - Name .....	
Telephone number .....	
<b>Language of correspondence - Langue de correspondance</b>	
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	

Corporation name: Rideau St. Lawrence Distribution Inc.

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Schedule 100  
Code 0803  
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### Balance Sheet Information

- Use this schedule to report the corporation's balance sheet information.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation – Income Tax Guide.

## Rideau St. Lawrence Distribution Inc.

### Balance Sheet

As of December 31, 2020

Assets	GIFI item	Current fiscal year	Previous fiscal year
<b>Current assets</b>			
Cash and deposits	1000		374,490
Accounts receivable	1060	1,332,650	1,348,323
Inventories	1120	259,935	247,452
Other current assets	1480	1,499,577	1,510,974
Prepaid expenses	1484	177,118	164,697
<b>Total current assets</b>	<b>1599</b>	<b>3,269,280</b>	<b>3,645,936</b>
<b>Fixed assets</b>			
Land	1600	91,567	91,567
Buildings	1680	113,861	111,947
Accumulated amortization of buildings	1681	(22,025)	(18,761)
Machinery, equipment, furniture, and fixtures	1740	8,088,011	7,473,187
Accumulated amortization of machinery, equipment, furniture, and fixtures	1741	(1,509,256)	(1,237,739)
Other tangible capital assets	1900	1,578,100	1,461,114
Accumulated amortization of other tangible capital assets	1901	(1,109,422)	(997,936)
		7,230,836	6,883,379
<b>Other assets</b>			
Other long-term assets	2420	603,670	156,782
Future (deferred) income taxes	2421	41,165	50,561
		644,835	207,343
<b>Total assets</b>	<b>2599</b>	<b>11,144,951</b>	<b>10,736,658</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Amounts payable and accrued liabilities	2620	1,682,221	2,211,393
Demand notes due to related parties	2861	1,163,352	1,163,352
Advances due to related parties	2863	1,883,346	1,828,268
Current portion of long-term liability	2920	247,891	347,711
Other current liabilities	2960	50,625	47,460
Deposits received	2961	151,595	155,652
Bank overdraft	2600	477,445	
<b>Total current liabilities</b>	<b>3139</b>	<b>5,656,475</b>	<b>5,753,836</b>
<b>Long-term Liabilities</b>			
Other long-term liabilities	3320	1,190,255	911,306
		1,190,255	911,306
<b>Total liabilities</b>	<b>3499</b>	<b>6,846,730</b>	<b>6,665,142</b>
<b>Shareholder equity</b>			
<b>Contributed capital</b>			
Common shares	3500	2,511,123	2,511,123
Accumulated other comprehensive income	3580	(14,049)	(11,457)
<b>Retained earnings (deficit)</b>	<b>3600</b>	<b>1,801,147</b>	<b>1,571,850</b>
<b>Total shareholder equity</b>	<b>3620</b>	<b>4,298,221</b>	<b>4,071,516</b>
<b>Total liabilities and shareholder equity</b>	<b>3640</b>	<b>11,144,951</b>	<b>10,736,658</b>

This statement has been compiled from information provided by the taxpayer, solely for income tax purposes and may not be appropriate for other purposes. We have not audited, reviewed or otherwise attempted to verify its accuracy or completeness.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**Retained earnings (deficit)**

Opening balance	3660	1,571,850	1,548,276
Net income (loss)	3680	229,297	170,574
Cash dividends	3701		(147,000)
<b>Closing balance</b>	<b>3849</b>	<b>1,801,147</b>	<b>1,571,850</b>

This statement has been compiled from information provided by the taxpayer, solely for income tax purposes and may not be appropriate for other purposes. We have not audited, reviewed or otherwise attempted to verify its accuracy or completeness.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## Income Statement Information

**Schedule 125**  
Code 1004  
**Protected B**  
when completed

- Use this schedule to report your corporation's income statement information.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation – Income Tax Guide.

### Rideau St. Lawrence Distribution Inc.

#### Income statement

For the year ended December 31, 2020

0001	Operating name	0002	Description of the operation	0003	** Sequence number
			GIFI item	Current fiscal year	Previous fiscal year
Income					
Sales					
Sales of goods and services			8000	17,813,672	15,794,498
Total sales of goods and services			8089	17,813,672	15,794,498
Other income					
Investment revenue			8090	79,389	65,450
Realized gains/losses on disposal of assets			8210	(4,346)	(7,731)
Other revenue			8230	229,880	203,606
Total income			8299	18,118,595	16,055,823
Cost of goods sold					
Opening inventory			8300		
Purchases/cost of materials			8320	15,040,230	13,123,271
Closing inventory			8500		
			8518	15,040,230	13,123,271
Gross profit (item 8089 minus item 8518)			8519	2,773,442	2,671,227
Expenses					
Amortization of tangible assets			8670	375,155	386,765
Interest and bank charges			8710	80,655	56,543
Office expenses			8810	975,867	905,691
Other repairs and maintenance			9010	741,973	805,811
Other expenses			9270	666,022	565,723
Total operating expenses			9367	2,839,672	2,720,533
Total cost of good sold and expenses			9368	17,879,902	15,843,804
Net non-farming income (item 8299 minus item 9368)			9369	238,693	212,019
Other comprehensive income					
Revaluation surplus			7000	(2,592)	(7,331)
Total other comprehensive income				(2,592)	(7,331)
Net income (loss) before taxes and extraordinary items			9970	238,693	212,019
Extraordinary items					
Current income taxes			9990		
Deferred income taxes			9995	9,396	41,445
Net income (loss) before comprehensive income				229,297	170,574
Total other comprehensive income			9998	(2,592)	(7,331)
Net income (loss)			9999	226,705	163,243

This statement has been compiled from information provided by the taxpayer, solely for income tax purposes and may not be appropriate for other purposes. We have not audited, reviewed or otherwise attempted to verify its accuracy or completeness.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## Notes checklist

Schedule 141

Code 1004

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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 Guide 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** Yes ☒ No ☐

Is the accountant connected\* with the corporation? ..... **097** Yes ☐ 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** Yes ☐ 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** Yes ☒ No ☐

If **yes**, complete lines 104 to 107 below:

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

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

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

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

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

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

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**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**

Yes ☐

No ☒

If yes, enter the amount recognized:

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

**Financial instruments**

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

**250**

Yes ☐

No ☒

Did the corporation apply hedge accounting during the tax year? .....

**255**

Yes ☐

No ☒

Did the corporation discontinue hedge accounting during the tax year? .....

**260**

Yes ☐

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**

Yes ☐

No ☒

If yes, you have to maintain a separate reconciliation.

Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy

## S4 Loss Continuity Worksheet

### Non-Capital Losses

A non-capital loss expires as follows:

- after 7 tax years if it arose in a tax year ending before March 23, 2004;
- 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

Tax year end	Ending bal. from previous tax year	Expired	Opening bal.	Transfer on amalgamation or wind-up	Current year loss	Carryback	Other adjustments	Adjustments for debt forgiveness	Applied	Applied to Part IV tax	Ending bal.	Expiring if not used this year
2020/12/31					85,126						85,126	
2019/12/31	61,362		61,362								61,362	
2018/12/31												
2017/12/31												
2016/12/31												
2015/12/31	99,760		99,760								99,760	
2014/12/31												
2013/12/31												
2012/12/31												
2011/12/31												
2010/12/31												
2009/12/31												
2008/12/31												
2007/12/31												
2006/12/31												
2005/12/31												
2004/12/31												
2003/12/31												
2002/12/31												
2001/12/31												
2000/09/30												
2000/09/30												
Total	161,122		161,122		85,126						246,248	

Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy

### Farm Losses

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.

Tax year end	Ending bal. from previous tax year	Expired	Opening bal.	Transfer on amalgamation or wind-up	Current year loss	Carryback	Other adjustments	Adjustments for debt forgiveness	Applied	Applied to Part IV tax	Ending bal.	Expiring if not used this year
2020/12/31												
2019/12/31												
2018/12/31												
2017/12/31												
2016/12/31												
2015/12/31												
2014/12/31												
2013/12/31												
2012/12/31												
2011/12/31												
2010/12/31												
2009/12/31												
2008/12/31												
2007/12/31												
2006/12/31												
2005/12/31												
2004/12/31												
2003/12/31												
2002/12/31												
2001/12/31												
2000/09/30												
Total												

Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy

#### Restricted Farm Losses

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.

Tax year end	Ending bal. from previous tax year	Expired	Opening bal.	Transfer on amalgamation or wind-up	Current year loss	Carryback	Other adjustments	Adjustments for debt forgiveness	Applied	Ending bal.	Expiring if not used this year
2020/12/31											
2019/12/31											
2018/12/31											
2017/12/31											
2016/12/31											
2015/12/31											
2014/12/31											
2013/12/31											
2012/12/31											
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2008/12/31											
2007/12/31											
2006/12/31											
2005/12/31											
2004/12/31											
2003/12/31											
2002/12/31											
2001/12/31											
2001/09/30											
2000/09/30											
Total											

Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy

**Listed Personal Property Losses**

Tax year end	Ending bal. from previous tax year	Expired	Opening bal.	Current year loss	Carryback	Other adjustments	Applied	Ending bal.	Expiring if not used this year
2020/12/31									
2019/12/31									
2018/12/31									
2017/12/31									
2016/12/31									
2015/12/31									
2014/12/31									
2013/12/31									
2012/12/31									
Total									

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## S8Asset Capital Cost Allowance (CCA) Asset Manager

### Asset and Cost Information

Class	1-a
Description	distribution and buildings
Account number	
Select rental property (Reg. 1100(11))	

### Cost

Cost, beginning	
Additions	1,914
Dispositions	
Cost, ending	1,914

Show the **Net Addition Calculation** section for accelerated CCA? ☒

### CCA

	Federal	Alberta	Québec
UCC, beginning	2,913,900	2,913,900	2,913,900
Total additions	1,914	1,914	1,914
AIIP additions included in the total additions	1,914	1,914	1,914
Adjustments and transfers			
Previous year ITC			
Other			
Assistance received or receivable subsequent to disposition <sup>7</sup>			
Assistance repaid subsequent to disposition <sup>8</sup>			
Net adjustments and transfers			
Adjusted UCC	2,915,814	2,915,814	2,915,814
Proceeds of disposition			
UCC before CCA	2,915,814	2,915,814	2,915,814
1/2 year and UCC adjustments <sup>4</sup>	(957)	(957)	(957)
Base for CCA	2,916,771	2,916,771	2,916,771
Rate	4 %	4 %	4 %
CCA <sup>**</sup>	116,671	116,671	116,671
Terminal loss			
Recapture			
UCC, ending	2,799,143	2,799,143	2,799,143

<sup>\*\*</sup> Class 14.1 accelerated CCA for amount transferred from Schedule 10 (ITR 1100(1)(c.1)). The CCA claim may be the greater of the calculated amount or \$500.

### Net addition calculation

Non AIIP addition			
Assistance (subsequent to disposition) allocated	+		
Disposition allocated <sup>5</sup>	-		
Net non-AIIP addition <sup>1</sup>	=		
AIIP addition		1,914	1,914
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>2</sup>	=	1,914	1,914
AIIP addition (non QIP) <sup>6</sup>		N/A	N/A
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>6</sup>	=	N/A	N/A
1/2 year adjustments			
UCC adjustment <sup>3</sup>	-	957	957
UCC adjustment (non QIP) <sup>6</sup>	-	N/A	N/A
1/2 year and UCC adjustments <sup>4</sup>	=	(957)	(957)

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**Accelerated Investment Incentive Property (AIIP)**

Additions after **November 20, 2012** are eligible for an accelerated CCA in the year of acquisition. The accelerated CCA rule suspends the 1/2 year adjustment to the eligible additions by adding the 1/2 year adjustment rather than subtracting it from the UCC base. For most CCA classes, such additions result in 3 times the first year CCA than the normal first year CCA.

1. Additions before **November 21, 2018**. Ineligible addition for accelerated CCA. Subject to 1/2 year rule in the year of acquisition.
2. Additions after **November 20, 2018**. Eligible addition for accelerated CCA. 1/2 year rule suspended in the year of acquisition.
3. UCC adjustment under the proposed *Regulation 1100(2)* with respect to additions after November 20, 2018:  
UCC adjustment = 0.5 x net addition<sup>5</sup>
4. If the total is negative, add (rather than subtract) to calculate UCC base for CCA.
5. Where UCC of a class is increased in a year by both additions before November 21, 2018 and additions after November 20, 2018, and there is a disposition, the disposition must first reduce pre November 21, 2018 addition before post November 20, 2018 additions to calculate the net addition.
6. Not applicable.
7. Enter only as a negative amount. Assistance received or receivable during the year for a property, subsequent to disposition (column 6 of Schedule 8). In column 6 of Schedule 8, the amount is carried over as a positive amount.
8. Enter only as a positive amount. Assistance that is repaid during the year for a property, subsequent to disposition (column 7 of Schedule 8).

### Current Year Addition/Disposition Transactions

Description	Transaction date ***		2020/12/31
	<b>Additions</b>		<b>Dispositions</b>
<u>Cost of addition *</u>		1,914	<u>Proceeds</u>
<u>AIIP? ****</u>	Yes		<u>Outlays</u>
<u>AIIP for Québec? *****</u>	Yes		<u>Net proceeds</u>
<u>QIP for Québec? *****</u>	Yes		<u>Cost</u>
<u>Half year rule applies?</u>	Yes		<u>Lower of cost and proceeds</u>
<u>Trade-in allowance **</u>			
<u>GST/HST, PST, QST % **</u>			
<u>GST/HST input tax credit **</u>			
			<u>Full disposition?</u>
			<u>Terminal loss?</u>
			No
			No

\*\*\*\*\* Qualified intellectual property (QIP) for Québec. Applicable to additions made after December 3, 2018 for classes 14, 14.1 and 44.

### History of additions

Description	Date acquired	Cost	Class 54 capital cost limit (before tax)	Class 54 capital cost limit (after tax)	Disposed of?
<b>Total Cost</b>					

- Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy
- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). 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 (show amounts that reduce the undepreciated capital cost in brackets) 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 5. Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property continuously owned by the transferor for at least 364 days before the end of your tax year.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b). Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1 54 and 56
  - 1 1/2 for property in Class 55
  - 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. 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 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
- Note 14. 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.
- For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year.
- For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(y.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
- The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## S8Asset Capital Cost Allowance (CCA) Asset Manager

### Asset and Cost Information

Class 47-a  
Description Distribution and transmission equipment  
Account number \_\_\_\_\_  
Select rental property (Reg. 1100(11)) \_\_\_\_\_

### Cost

Cost, beginning \_\_\_\_\_  
Additions 588,910  
Dispositions \_\_\_\_\_  
Cost, ending 588,910

Show the **Net Addition Calculation** section for accelerated CCA? ☒

### CCA

	Federal	Alberta	Québec
UCC, beginning	3,904,194	3,904,194	3,904,194
Total additions	588,910	588,910	588,910
AIIP additions included in the total additions	588,910	588,910	588,910
Adjustments and transfers			
Previous year ITC			
Other			
Assistance received or receivable subsequent to disposition <sup>7</sup>			
Assistance repaid subsequent to disposition <sup>8</sup>			
Net adjustments and transfers			
Adjusted UCC	4,493,104	4,493,104	4,493,104
Proceeds of disposition			
UCC before CCA	4,493,104	4,493,104	4,493,104
1/2 year and UCC adjustments <sup>4</sup>	(294,455)	(294,455)	(294,455)
Base for CCA	4,787,559	4,787,559	4,787,559
Rate	8 %	8 %	8 %
CCA <sup>**</sup>	383,005	383,005	383,005
Terminal loss			
Recapture			
UCC, ending	4,110,099	4,110,099	4,110,099

<sup>\*\*</sup> Class 14.1 accelerated CCA for amount transferred from Schedule 10 (ITR 1100(1)(c.1)). The CCA claim may be the greater of the calculated amount or \$500.

### Net addition calculation

Non AIIP addition			
Assistance (subsequent to disposition) allocated	+		
Disposition allocated <sup>5</sup>	-		
Net non-AIIP addition <sup>1</sup>	=		
AIIP addition		588,910	588,910
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>2</sup>	=	588,910	588,910
AIIP addition (non QIP) <sup>6</sup>		N/A	N/A
Disposition allocated <sup>5</sup>	-	N/A	N/A
Net AIIP addition <sup>6</sup>	=	N/A	N/A
1/2 year adjustments			
UCC adjustment <sup>3</sup>	-	294,455	294,455
UCC adjustment (non QIP) <sup>6</sup>	-	N/A	N/A
1/2 year and UCC adjustments <sup>4</sup>	=	(294,455)	(294,455)



- Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy
- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
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- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
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  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(y.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
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Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## S8Asset Capital Cost Allowance (CCA) Asset Manager

### Asset and Cost Information

Class	50-a
Description	Computer Hardware
Account number	
Select rental property (Reg. 1100(11))	

### Cost

Cost, beginning	
Additions	135,473
Dispositions	
Cost, ending	135,473

Show the **Net Addition Calculation** section for accelerated CCA? ☒

### CCA

	Federal	Alberta	Québec
UCC, beginning	27,809	27,809	27,809
Total additions	135,473	135,473	135,473
AIIP additions included in the total additions	135,473	135,473	135,473
<b>Adjustments and transfers</b>			
Previous year ITC			
Other			
Assistance received or receivable subsequent to disposition <sup>7</sup>			
Assistance repaid subsequent to disposition <sup>8</sup>			
<b>Net adjustments and transfers</b>			
Adjusted UCC	163,282	163,282	163,282
Proceeds of disposition			
UCC before CCA	163,282	163,282	163,282
1/2 year and UCC adjustments <sup>4</sup>	(67,737)	(67,737)	(110,842)
Base for CCA	231,019	231,019	274,124
Rate	55 %	55 %	55 %
CCA <sup>**</sup>	127,060	127,060	150,768
Terminal loss			
Recapture			
UCC, ending	36,222	36,222	12,514

<sup>\*\*</sup> Class 14.1 accelerated CCA for amount transferred from Schedule 10 (ITR 1100(1)(c.1)). The CCA claim may be the greater of the calculated amount or \$500.

### Net addition calculation

Non AIIP addition			
Assistance (subsequent to disposition) allocated	+		
Disposition allocated <sup>5</sup>	-		
Net non-AIIP addition <sup>1</sup>	=		
AIIP addition		135,473	135,473
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>2</sup>	=	135,473	135,473
AIIP addition (non QIP) <sup>6</sup>		N/A	N/A
Disposition allocated <sup>5</sup>	-	N/A	N/A
Net AIIP addition <sup>6</sup>	=	N/A	N/A
1/2 year adjustments			
UCC adjustment <sup>3</sup>	-	67,737	67,737
UCC adjustment (non QIP) <sup>6</sup>	-	N/A	N/A
1/2 year and UCC adjustments <sup>4</sup>	=	(67,737)	(110,842)



- Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy
- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
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- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b). Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1 54 and 56
  - 1 1/2 for property in Class 55
  - 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. 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 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
- Note 14. 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.
- For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year.
- For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(y.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
- The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## S8Asset Capital Cost Allowance (CCA) Asset Manager

### Asset and Cost Information

Class	8-a
Description	Equipment
Account number	
Select rental property (Reg. 1100(11))	

### Cost

Cost, beginning	
Additions	661
Dispositions	
Cost, ending	661

Show the **Net Addition Calculation** section for accelerated CCA? ☒

### CCA

	Federal	Alberta	Québec
UCC, beginning	48,740	48,740	48,740
Total additions	661	661	661
AIIP additions included in the total additions	661	661	661
<b>Adjustments and transfers</b>			
Previous year ITC			
Other			
Assistance received or receivable subsequent to disposition <sup>7</sup>			
Assistance repaid subsequent to disposition <sup>8</sup>			
<b>Net adjustments and transfers</b>			
Adjusted UCC	49,401	49,401	49,401
Proceeds of disposition			
UCC before CCA	49,401	49,401	49,401
1/2 year and UCC adjustments <sup>4</sup>	(331)	(331)	(331)
Base for CCA	49,732	49,732	49,732
Rate	20 %	20 %	20 %
CCA <sup>**</sup>	9,946	9,946	9,946
Terminal loss			
Recapture			
UCC, ending	39,455	39,455	39,455

<sup>\*\*</sup> Class 14.1 accelerated CCA for amount transferred from Schedule 10 (ITR 1100(1)(c.1)). The CCA claim may be the greater of the calculated amount or \$500.

### Net addition calculation

Non AIIP addition			
Assistance (subsequent to disposition) allocated	+		
Disposition allocated <sup>5</sup>	-		
Net non-AIIP addition <sup>1</sup>	=		
AIIP addition		661	661
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>2</sup>	=	661	661
AIIP addition (non QIP) <sup>6</sup>		N/A	N/A
Disposition allocated <sup>5</sup>	-		
Net AIIP addition <sup>6</sup>	=	N/A	N/A
1/2 year adjustments			
UCC adjustment <sup>3</sup>	-	331	331
UCC adjustment (non QIP) <sup>6</sup>	-	N/A	N/A
1/2 year and UCC adjustments <sup>4</sup>	=	(331)	(331)



- Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy
- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). 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 (show amounts that reduce the undepreciated capital cost in brackets) 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 5. Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property continuously owned by the transferor for at least 364 days before the end of your tax year.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b). Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1 54 and 56
  - 1 1/2 for property in Class 55
  - 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. 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 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
- Note 14. 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.
- For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year.
- For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(y.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
- The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

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## S8Claim Capital Cost Allowance (CCA) Claim

### CCA Claim order

TaxCycle provides you with the option of defining the order that CCA properties are claimed in the return. The default method will mean properties will be claimed beginning with those that have the lowest CCA rate to the highest, followed by buildings at the end. To utilize a different option, select the checkbox next to your desired order of claiming CCA property.

#### Non-rental assets

- A ☒ Lowest CCA rate to highest, buildings claimed at end  
B ☐ Lowest CCA rate to highest  
C ☐ Lowest CCA amount to highest  
D ☐ Highest CCA amount to lowest

#### Rental assets

- A ☒ Lowest CCA rate to highest, buildings claimed at end  
B ☐ Lowest CCA rate to highest  
C ☐ Lowest CCA amount to highest  
D ☐ Highest CCA amount to lowest

### CCA claim for buildings

#### Non-rental assets

☒ Include CCA claim for buildings

#### Rental assets

☒ Include CCA claim for buildings

### CCA claim for rental properties

Limit CCA under Regulation 1100(11) for all rental statements?

Yes ☒ No ☐

### CCA claim for class 43.2 Specified Energy Properties

Limit CCA under Regulation 1100(24) to (29) for all class 43.2 assets?

Yes ☐ No ☒

Net income earned on these specified energy properties

### CCA Summary

Class number	Description	Rate	Available CCA Claim	Actual CCA Claim
1-a	Buildings	4	116,671	116,671
10-a	Computer hardware, systems software, motor vehicles	30	67,771	67,771
8-a	Certain property, furniture, appliances, tools costing \$500 or more, photocopiers, elec	20	9,946	9,946
45-a	Computer hardware	45	1,467	1,467
46-a	Data equipment and systems software, acquired after March 22, 2004	30	14	14
47-a	Property that is transmission or distribution equipment, equipment for purpose of prod	8	383,005	383,005
50-a	Computer hardware and systems software acquired after March 18, 2007	55	127,060	127,060
Total CCA Claim				705,934

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

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Canada Revenue  
Agency

Agence du revenu  
du Canada

### Net Income (Loss) for Income Tax Purposes

**Schedule 1**  
Code 1901  
**Protected B**  
when completed

- Use this schedule to reconcile 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.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 ..... 226,705 A 163,243 Previous Fiscal Year

**Add:**

Provision for income taxes – deferred .....	<u>102</u>	<u>9,396</u>		<u>41,445</u>
Amortization of tangible assets .....	<u>104</u>	<u>375,155</u>		<u>386,765</u>
Loss on disposal of assets .....	<u>111</u>	<u>4,346</u>		<u>7,731</u>

**Meals and entertainment expenses, as well as club dues and fees**

**Expenses included in the financial statements:**

GIFI account 8523 .....	<u>1</u>
Other GIFI accounts .....	<u>2,238</u> 2
<b>Total</b> .....	<u>2,238</u> 3

**Determination of the non-deductible portion of the total above:**

Club dues and fees .....	<u>4</u>		
Unreasonable expenses .....	<u>100</u> %	<u>5</u>	
Long-haul truck driver .....	<u>20</u> %	<u>6</u>	
Fully deductible .....		<u>7</u>	
Remaining expenses .....	<u>2,238</u> 50 %	<u>1,119</u> 8	
<b>Total</b> .....	<u>2,238</u>	<u>1,119</u> 9	

(Enter the amounts from lines 4 and 9 on lines 120 and 121, respectively.)

Non-deductible meals and entertainment expenses .....	<u>121</u>	<u>1,119</u>		<u>8,466</u>
Amount D .....	<u>199</u>	<u>4,087</u>		<u>444,407</u>
<b>Total (lines 101 to 199)</b> .....	<u>500</u>	<u>394,103</u>	<u>394,103</u>	<u>607,650</u>

Amount A plus line 500 ..... 620,808 B 607,650

**Deduct:**

Capital cost allowance from Schedule 8 .....	<u>403</u>	<u>705,934</u>		<u>669,012</u>
Amount E .....	<u>499</u>	<u>705,934</u>		<u>669,012</u>
<b>Total (lines 401 to 499)</b> .....	<u>510</u>	<u>705,934</u>	<u>705,934</u>	<u>669,012</u>

**Net income (loss) for income tax purposes (amount B minus line 510)** ..... (85,126) C (61,362)

Enter amount C on line 300 on page 3 of the T2 return.

**Add:**

Taxable/non-deductible other comprehensive income items ..... 239 2,592 7,331

**Other additions:**

1 Description	2 Amount
<u>605</u>	<u>296</u>
Change in future employee benefits .....	<u>1,495</u>
<b>Total of column 2</b> .....	<u>1,495</u>

296 1,495 1,135

**Total of lines 201 to 249 and line 296** ..... 4,087 D 8,466

Enter amount D on line 199 on page 1.

**Total of lines 300 to 345 and line 396** ..... E

Enter amount E at line 499

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

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Canada Revenue  
Agency

Agence du revenu  
du Canada

**Schedule 4**  
Code 1302  
**Protected B**  
when completed

### Corporation Loss Continuity and Application

- 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 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 .....		(85,126)	1A
Net capital losses deducted in the year (enter as a positive amount) .....	1B		
Taxable dividends deductible under section 112 or subsection 113(1) or 138(6) .....	1C		
Amount of Part VI.1 tax deductible under paragraph 110(1)(k) .....	1D		
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2) .....	1E		
Employer deduction in respect of non-qualified securities- Paragraph 110(1)(e) .....	1F		
Subtotal (total of amounts 1B to 1F) .....			1G
Subtotal (amount 1A <b>minus</b> amount 1G; if positive, enter "0") .....		(85,126)	1H
Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions .....			1I
Subtotal (amount 1H <b>minus</b> amount 1I) .....		(85,126)	1J
Current-year farm loss (the lesser of: the net loss from farming or fishing included in income and the non-capital loss before deducting the farm loss) .....			1K
Current-year non-capital loss (amount 1J <b>plus</b> amount 1K; if positive, enter "0") .....		(85,126)	1L
If amount 1L 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 .....	161,122	1M	
Non-capital loss expired ( <b>note 1</b> ) .....	100		
Non-capital losses at the beginning of the tax year (amount 1M <b>minus</b> line 100) .....	102	161,122	161,122
Non-capital losses transferred on an amalgamation or on the wind-up of a subsidiary ( <b>note 2</b> ) corporation .....	105		
Current-year non-capital loss (from amount 1L) .....	110	85,126	
Subtotal (line 105 <b>plus</b> line 110) .....		85,126	85,126 1N
Subtotal (line 102 <b>plus</b> amount 1N) .....			246,248 1O

Note 1: A non-capital loss expires after 20 tax years and an allowable business investment loss becomes a net capital loss after 10 tax years, and the remaining shares are owned by persons that deal at arm's length with the parent corporation.

Note 2: Subsidiary is defined in subsection 88(1) as a taxable Canadian corporation of which 90% or more of each class of issued shares are owned by its parent corporation and the remaining shares are owned by persons that deal at arm's length with the parent corporation.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

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Part 1 - Non-capital losses (continued)	
Other adjustments (includes adjustments for an acquisition of control) .....	150
Section 80 – Adjustments for forgiven amounts .....	140
Non-capital losses of previous tax years applied in the current tax year .....	130
Enter line 130 on line 331 of the T2 Return.	
Current and previous years non-capital losses applied against current-year taxable dividends subject to Part IV tax (note 3) .....	135
Subtotal (total of lines 150, 140, 130 and 135) .....	1P
Non-capital losses before any request for a carryback (amount 1O minus amount 1P) .....	246,248 1Q
<b>Request to carry back non-capital loss to:</b>	
First previous tax year to reduce taxable income .....	901
Second previous tax year to reduce taxable income .....	902
Third previous tax year to reduce taxable income .....	903
First previous tax year to reduce taxable dividends subject to Part IV tax .....	911
Second previous tax year to reduce taxable dividends subject to Part IV tax .....	912
Third previous tax year to reduce taxable dividends subject to Part IV tax .....	913
Total of requests to carry back non-capital losses to previous tax years (total of lines 901 to 913) .....	1R
Closing balance of non-capital losses to be carried forward to future tax years (amount 1Q minus amount 1R) .....	246,248 180

Note 3: Line 135 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	
<b>Continuity of capital losses and request for a carryback</b>	
Capital losses at the end of the previous tax year .....	200
Capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation .....	205
Subtotal (line 200 plus line 205) .....	2A
Other adjustments (includes adjustments for an acquisition of control) .....	250
Section 80 – Adjustments for forgiven amounts .....	240
Subtotal (line 250 plus line 240) .....	2B
Subtotal (amount 2A minus amount 2B) .....	2C
Current-year capital loss (from the calculation on Schedule 6, Summary of Dispositions of Capital Property) .....	210
Unused non-capital losses from the 11th previous tax year (note 4) .....	2D
Allowable business investment losses (ABILs) that expired as non-capital losses at the end of the previous tax year (note 5) .....	2E
Enter amount 2D or 2E, whichever is less .....	215
ABILs expired as non-capital losses: line 215 multiplied by 2 .....	220
Subtotal (amount 2C plus line 210 plus line 220) .....	2F
<b>Note</b>	
If there has been an amalgamation or a wind-up of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary corporation. Add all these amounts and enter the total on line 220.	
Note 4: Determine the amount of the loss from the 11th previous tax year and enter the part of that loss that was not deducted in the previous 11 years.	
Note 5: Enter the amount of the ABILs from the 11th previous tax year. Enter the full amount on amount 2E.	

Corporation name: Rideau St. Lawrence Distribution Inc.

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**Part 2 - Capital losses (continued)**

Capital losses from previous tax years applied against the current-year net capital gain (note 6)	225	
Capital losses before any request for a carryback (amount 2F minus line 225)		2G
<b>Request to carry back capital loss to (note 7):</b>		
First previous tax year	951	
Second previous tax year	952	
Third previous tax year	953	
Subtotal (total of lines 951 to 953)		2H
Closing balance of capital losses to be carried forward to future tax years (amount 2G minus amount 2H) (note 8)	280	

Note 6: To get the net capital losses required to reduce the taxable capital gain included in the net income (loss) for the current tax year, enter the amount from line 225 divided by 2 at line 332 of the T2 return.

Note 7: On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, divide this amount by 2. The result represents the 50% inclusion rate.

Note 8: Capital losses can be carried forward indefinitely.

**Part 3 - Farm losses**

<b>Continuity of farm losses and request for a carryback</b>		
Farm losses at the end of the previous tax year		3A
Farm loss expired (note 9)	300	
Farm losses at the beginning of the tax year (amount 3A minus line 300)	302	
Farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	305	
Current-year farm loss (amount 1K in Part 1)	310	
Subtotal (line 305 plus line 310)		3B
Subtotal (line 302 plus amount 3B)		3C
Other adjustments (includes adjustments for an acquisition of control)	350	
Section 80 – Adjustments for forgiven amounts	340	
Farm losses of previous tax years applied in the current tax year Enter line 330 on line 334 of the T2 Return.	330	
Current and previous years farm losses applied against current-year taxable dividends subject to Part IV tax (note 10)	335	
Subtotal (total of lines 350, 340, 330 and 335)		3D
Farm losses before any request for a carryback (amount 3C minus amount 3D)		3E
<b>Request to carry back farm loss to:</b>		
First previous tax year to reduce taxable income	921	
Second previous tax year to reduce taxable income	922	
Third previous tax year to reduce taxable income	923	
First previous tax year to reduce taxable dividends subject to Part IV tax	931	
Second previous tax year to reduce taxable dividends subject to Part IV tax	932	
Third previous tax year to reduce taxable dividends subject to Part IV tax	933	
Subtotal (total of lines 921 to 933)		3F
Closing balance of farm losses to be carried forward to future tax years (amount 3E minus amount 3F)	380	

Note 9: A farm loss expires after 20 tax years.

Note 10: Line 335 is the total of lines 340 and 345 from Schedule 3.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**Part 4 - Restricted farm losses**

**Current-year restricted farm loss**

Total losses for the year from farming business ..... **485**

(line 485 - \$2,500) divided by 2 = ..... **4A**

Amount 4A or \$15,000, whichever is less ..... **4B**

2,500 **4C**

Subtotal (amount 4B plus amount 4C) ..... **2,500 4D**

Current-year restricted farm loss (line 485 minus amount 4D) ..... **4E**

**Continuity of restricted farm losses and request for a carryback**

Restricted farm losses at the end of the previous tax year ..... **4F**

Restricted farm loss expired (note 11) ..... **400**

Restricted farm losses at the beginning of the tax year (amount 4F minus line 400) ..... **402**

Restricted farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation ..... **405**

Current-year restricted farm loss (from amount 4E) ..... **410**

Enter line 410 on line 233 of Schedule 1, Net Income (Loss) for Income Tax Purposes.

Subtotal (line 405 plus line 410) ..... **4G**

Subtotal (line 402 plus amount 4G) ..... **4H**

Restricted farm losses from previous tax years applied against current farming income ..... **430**

Enter line 430 on line 333 of the T2 return.

Section 80 - Adjustments for forgiven amounts ..... **440**

Other adjustments ..... **450**

Subtotal (total of lines 430 to 450) ..... **4I**

Restricted farm losses before any request for a carryback (amount 4H minus amount 4I) ..... **4J**

**Request to carry back restricted farm loss to:**

First previous tax year to reduce farming income ..... **941**

Second previous tax year to reduce farming income ..... **942**

Third previous tax year to reduce farming income ..... **943**

Subtotal (total of lines 941 to 943) ..... **4K**

Closing balance of restricted farm losses to be carried forward to future tax years (amount 4J minus amount 4K) **480**

**Note**

The total losses for the year from all farming businesses are calculated without including scientific research expenses.

Note 11: A restricted farm loss expires after 20 tax years.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**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 ..... 5A

Listed personal property loss expired (**note 12**) ..... 500

Listed personal property losses at the beginning of the tax year (amount 5A minus line 500) ..... 502

Current-year listed personal property loss (from Schedule 6) ..... 510

Subtotal (line 502 plus line 510) ..... 5B

Listed personal property losses from previous tax years applied against listed personal property gains ..... 530

Enter line 530 on line 655 of Schedule 6.

Other adjustments ..... 550

Subtotal (line 530 plus line 550) ..... 5C

Listed personal property losses remaining before any request for a carryback (amount 5B minus amount 5C) ..... 5D

**Request to carry back listed personal property loss to:**

First previous tax year to reduce listed personal property gains ..... 961

Second previous tax year to reduce listed personal property gains ..... 962

Third previous tax year to reduce listed personal property gains ..... 963

Subtotal (total of lines 961 to 963) ..... 5E

Closing balance of listed personal property losses to be carried forward to future tax years (amount 5D minus amount 5E) **580**

Note 12: A listed personal property loss expires after 7 tax years.

**Part 6 - Analysis of balance of losses by year of origin**

Year of origin ( <b>note 13</b> )	Non-capital losses ( <b>note 14</b> )	Farm losses	Restricted farm losses	Listed personal property losses
2020/12/31	85,126			
2019/12/31	61,362			
2018/12/31				
2017/12/31				
2016/12/31				
2015/12/31	99,760			
2014/12/31				
2013/12/31				
2012/12/31				
2011/12/31				
2010/12/31				
2009/12/31				
2008/12/31				
2007/12/31				
2006/12/31				
2005/12/31				
2004/12/31				
2003/12/31				
2002/12/31				
2001/12/31				
2001/09/30				
<b>Total</b>	<b>246,248</b>			

Note 13: Enter each loss by year of origin, starting with the current year and going down to the 20th previous year.

Note 14: A non-capital loss expires after 20 tax years and an allowable business investment loss becomes a net capital loss after 10 tax years

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**Part 7 - Limited partnership losses**

**Current-year limited partnership losses**

1	2	3	4	5	6	7
Partnership account number	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
RZ						
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 account number	Tax year ending YYYY/MM/DD	Limited partnership losses at the end of the previous tax year and amounts transferred on an amalgamation or on the wind-up of a subsidiary	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 column 3 and 6)
630	632	634	636	638		650
RZ						

**Part 7 - Limited partnership losses (continued)**

**Continuity of limited partnership losses that can be carried forward to future tax years**

1	2	3	4	5	6
Partnership account number	Limited partnership losses at the end of the previous tax year	Limited partnership losses transferred in the year on an amalgamation or on the wind-up of a subsidiary	Current-year limited partnership losses (from line 620)	Limited partnership losses applied in the current year (must be equal to or less 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
RZ					
Total (enter this amount on line 335 of the T2 return)					

**Notes**

If you need more space, you can attach more schedules.

**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 ☐

In the case of the wind-up of a subsidiary, if the election is made, the non-capital loss, restricted farm loss, farm loss, or limited partnership loss of the subsidiary—that otherwise would become the loss of the parent corporation for a particular tax year starting after the the wind-up began—will be considered as the loss of the parent corporation for its immediately preceding tax year and not for the particular year.

**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.

Rideau St. Lawrence Distribution Inc.  
EB-2021-0056  
Exhibit 4 – Operating Expenses  
Filed: December 1, 2021

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**Capital Cost Allowance (CCA)**

**Schedule 8**  
Code 2001  
**Protected B**  
when completed

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	2	3	4	5	6	7	8	9
Class number	Undepreciated capital cost (UCC) at the beginning of the year	Cost of acquisitions during the year (new property must be available for use)	Cost of acquisitions from column 3 that are accelerated investment incentive property (AIIP) or zero-emission vehicle (ZEV)	Adjustments and transfers (show amounts that will reduce the undepreciated capital cost in brackets)	Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	Amount from column 5 that is repaid during the year for a property, subsequent to its disposition	Proceeds of dispositions	UCC (column 2 plus column 3 plus or minus column 5 minus column 8)
See note 1		See note 2	See note 3	See note 4	See note 5	See note 6	See note 7	See note 8
<b>200</b>	<b>201</b>	<b>203</b>	<b>225</b>	<b>205</b>	<b>221</b>	<b>222</b>	<b>207</b>	
1-a	2,913,900	1,914		1,914				2,915,814
10-a	225,903							225,903
8-a	48,740	661		661				49,401
45-a	3,261							3,261
46-a	46							46
47-a	3,904,194	588,910		588,910				4,493,104
50-a	27,809	135,473		135,473				163,282
	7,123,853	726,958		726,958				7,850,811

10	11	12	13	13A	14	15	16	17	18
Proceeds of disposition available to reduce the UCC of AIIP and ZEV (column 8 plus column 6 minus column 3 plus column 4 minus column 7) (if negative, enter "0")	Net capital cost additions of AIIP and ZEV acquired during the year (column 4 minus column 10) (if negative, enter "0")	UCC adjustment for AIIP and ZEV acquired during the year (column 11 multiplied by the relevant factor)	UCC adjustment for property acquired during the year other than AIIP and ZEV (0.5 multiplied by the result of column 3 minus column 4 minus column 6 plus column 7 minus column 8) (if negative, enter "0")	UCC before CCA	CCA rate %	Recapture of CCA	Terminal loss	CCA (for declining balance method, the result of column 9 plus column 12 minus column 13, multiplied by column 14 or a lower amount)	UCC at the end of the year (column 9 minus column 17)
		See note 9	See note 10		See note 11	See note 12	See note 13	See note 14	
			<b>224</b>		<b>212</b>	<b>213</b>	<b>215</b>	<b>217</b>	<b>220</b>
1		1,914	957		2,916,771	4		116,671	2,799,143
2					225,903	30		67,771	158,132
3		661	331		49,732	20		9,946	39,455
4					3,261	45		1,467	1,794
5					46	30		14	32
6		588,910	294,455		4,787,559	8		383,005	4,110,099
7		135,473	67,737		231,019	55		127,060	36,222

Rideau St. Lawrence Distribution Inc.  
EB-2021-0056  
Exhibit 4 – Operating Expenses  
Filed: December 1, 2021

Corporation name: Rideau St. Lawrence Distribution Inc.	Business number: 964951993RC0001	Year end: 2020-12-31
	726,958	363,480
		8,214,291

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Maximum CCA available for other assets	705,934
Optimized amount	705,934
Claim a different amount?	No
Maximum CCA available for Rental assets	
Optimized amount	
Claim a different amount?	No

Enter the total of column 15 on line 107 of Schedule 1.  
Enter the total of column 16 on line 404 of Schedule 1.  
Enter the total of column 17 on line 403 of Schedule 1.

		CCA claim for the year	
Totals		705,934	7,144,877

- Corporation name: Rideau St. Lawrence Distribution Inc. Business number: 864851993RC0001 Year end: 2020-12-31 Client copy
- Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.
- Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.
- Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). 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 (show amounts that reduce the undepreciated capital cost in brackets) 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 5. Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property continuously owned by the transferor for at least 364 days before the end of your tax year.
- Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.
- Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
  - an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b). Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.
- Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21). The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the \$55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.
- Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.
- Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1 54 and 56
  - 1 1/2 for property in Class 55
  - 1 for property in Classes 43.2 and 53
  - 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
  - 0.5 for all other property that is AIIP
- Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 11. 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 17.
- Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.
- Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates or
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply
- Note 14. 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.
- For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year.
- For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(y.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
- The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**RELATED AND ASSOCIATED CORPORATIONS**  
(2011 and later tax years)

**SCHEDULE 9**  
Code 1101

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

	Name	Country of residence (other than Canada)	Business number (see note 1)	Relationship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Rideau St. Lawrence Holdings Inc.		891709610 RC0002	1					
2.	Rideau St. Lawrence Services Inc.		864851795 RC0001	3					
3.	Rideau St. Lawrence Utilities Inc.		891875817 RC0001	3					

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

Note 2: Enter the code number of the relationship that applies from the following order:

1 - Parent

2 - Subsidiary

3 - Associated

4 - Related but not associated

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**SCHEDULE 23**

Code 1901

**Protected B**  
when completed

**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 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 must 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, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

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

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

- Associated for purposes of allocating the business limit (unless association code 5 applies)
- CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be an Associated Corporation Through a Third Corporation
- Non-CCPC that is a **third corporation**
- Associated non-CCPC
- Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

**Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3.

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

**Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed \$500,000.

**Allocating the business limit**

Date filed (do not use this area) ..... **025**

Year	Month	Day

Enter the calendar year the agreement applies to ..... **050**

Year
2 0 2 0

Is this an amended agreement for the above calendar year that is intended to replace agreement previously filed by any of the associated corporations listed below? ..... **075** 1 Yes ☐ 2 No ☒

1	2	3	4	5	6
Names of associated corporations	Business number of associated corporations	Association code	Tax year start	Tax year end	Business limit allocated * \$
<b>100</b>	<b>200</b>	<b>300</b>			<b>400</b>
1. Rideau St. Lawrence Distribution Inc.	864851993RC0001	1	2020/01/01	2020/12/31	500,000
2. Rideau St. Lawrence Holdings Inc.	891709610RC0002	1	2020/01/01	2020/12/31	500,000
3. Rideau St. Lawrence Services Inc.	864851795RC0001	1	2020/01/01	2020/12/31	500,000
4. Rideau St. Lawrence Utilities Inc.	891875817RC0001	1	2020/01/01	2020/12/31	500,000
Total A					500,000

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

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula  $0.225\% \times (C - \$10,000,000)$ . Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

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

**Special rules for business limit**

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

Rideau St. Lawrence Distribution Inc.  
EB-2021-0056  
Exhibit 4 – Operating Expenses  
Filed: December 1, 2021

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**Shareholder Information**

**Schedule 50**  
Code 0602  
**Protected B**  
when completed

- 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 (business number, partnership account number, social insurance number or trust number) per shareholder.

Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business number (9 digits, 2 letters, and 4 digits. If not registered, enter "NR")	Partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "NR")	Social insurance number (9 digits)	Trust number (T followed by 8 digits)	Percentage common shares	Percentage preferred shares
<b>100</b>	<b>200</b>	<b>200</b>	<b>300</b>	<b>350</b>	<b>400</b>	<b>500</b>
1. Rideau St. Lawrence Holdings Inc.	891709610 RC0002	RZ		T	100.000	

## T2 Summary for Rideau St. Lawrence Distribution Inc.

### Identification

Taxation year end:	20201231	P.O. Box 699	Email
Business Number :	864851993 RC0001	985 Industrial Road	Phone (613) 925-3851
		Prescott	Website:
		ON	
		K1O1T0	

### Tax and credits

(Effective Part I corporate tax rate: %)



#### Taxable income

Net income or (loss) for tax purposes	300	(85,126)
<b>Taxable income</b>	<b>360</b>	

#### Part I Tax

<b>Subtotal</b>	
<b>Part I tax payable</b>	

#### Summary of Tax and Credits

<b>Total federal tax</b>	
Provincial or territorial jurisdiction	750 ON
<b>Total tax payable</b>	<b>770</b>
<b>Total credits</b>	<b>890</b>
<b>Bal. owing (refund) in T2 return</b>	

### Additional tax information

Refundable portion of Part I tax	Net-capital losses	
Capital dividend account balance at year end	Non-capital losses	246,248
GRIP bal. at year end (Net of dividend pmt.)	Farm losses	
LRIP bal. at year end	Restricted farm losses	
Dividend paid	Unused charitable donation	
Taxable dividend received	Active business income	
Business limit received (SCI)	Business limit assigned (SCI)	

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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## Summary 5 Year Comparative of Schedule 1 for Rideau St. Lawrence Distribution Inc.

Net Income for Tax Purposes		2020/12/31	2019/12/31	2018/12/31	2017/12/31	2016/12/31
Tax year ending:						
From line 9999 from Schedule 125		226,705	163,243	135,249		
<b>Add:</b>						
Provision For Income Taxes Current	101			(5,466)		
Provision For Income Taxes Deferred	102	9,396	41,445	41,579		
Interest and penalties on taxes	103					
Amortization of tangible assets	104	375,155	386,765	407,196		
Amortization of natural resource assets	105					
Amortization of intangible assets	106					
Recapture of CCA from Schedule 8	107					
Gain on sale of eligible capital property						
Loss in equity of subsidiaries and affiliates	110					
Loss on disposal of assets	111	4,346	7,731	8,614		
Charitable donations and gifts	112					
Taxable Capital Gains	113					
Political donations	114					
Holdbacks	115					
Deferred and prepaid expenses	116					
Depreciation in inventory	117					
Scientific research expenditures	118					
Capitalized interest	119					
Non-deductible club dues & fees	120					
Non-deductible meals & entertainment	121	1,119				
Non-deductible automobile expenses	122					
Non-deductible life insurance expenses	123					
Non-deductible company pension plans	124					
Other reserves from S13	125					
Reserves from financial statements	126					
Soft costs on construction and renovations	127					
Non-deductible fines and penalties	128					
Income or loss - partnerships	129					
Amounts calculated under section 34.2	130					
Income shortfall adjustment	131					
Income or loss - joint ventures	132					
Accounts payable and accrual	201					
Accounts receivable and prepaid	202					
Accrual inventory - opening	203					
Accrued dividends - prior year	204					
Capital items expensed	206					
Debt issue expense	208					
Deemed dividend income	209					
Deemed interest on loans to non-residents	210					
Deemed interest received	211					
Development expenses claimed	212					
Dividend stop-loss adjustment	213					
Dividends credited to investments	214					
Exploration expenses claimed in year	215					
Financing fees deducted in books	216					
Foreign accrual property income	217					
Foreign affiliate property income	218					
Foreign exchange inc. in retained earnings	219					
Gain on settlement of debt	220					
Interest paid on income debentures	221					
Limited partnership losses (Schedule 4)	222					

Corporation name: Rideau St. Lawrence Distribution Inc.

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Loss from international banking centres					
Mandatory inventory adjustment – current	224				
Non-deductible advertising	226				
Non-deductible interest	227				
Non-deductible legal and accounting fees	228				
Optional value of inventory – current	229				
Other expenses from financial statements	230				
Recapture of SR&ED expenditures	231				
Resource amounts deducted	232				
Restricted farm losses – current year	233				
Sales tax assessments	234				
Share issue expense	235				
Write-down of capital property	236				
Qualifying environmental amounts	237				
Contractor's completion method adjust.	238				
Taxable/non-deductible other comp. inc.	239	2,592	7,331	9,643	
Book loss on joint ventures	248				
Book loss on partnerships	249				
Other additions (total)	296	1,495	1,135	1,103	
Total of lines 101 to 296		394,103			
<b>Deduct:</b>					
Tax year ending:		2020/12/31	2019/12/31	2018/12/31	2017/12/31
Gain on disposal of assets per statements	401				
Non-taxable dividend under section 83	402				
Capital cost allowance from Schedule 8	403	705,934	669,012	634,356	
Terminal loss from Schedule 8	404				
Cumulative eligible capital deduction					
Allowable business investment loss	406				
For. non-bus. tax deduct subsection 20(12)	407				
Holdbacks	408				
Deferred and prepaid expenses	409				
Depreciation in inventory – end prior year	410				
SR&ED expenditures claimed in the year	411				
Other reserves on line 280	413				
Reserves from financial statements	414				
Patronage dividend deduction	416				
Contributions to deferred income plans	417				
Incorporation expenses under paragraph 20(1)(b)	418				
Accounts payable and accruals	300				
Accounts receivable and prepaid	301				
Accrual inventory – closing	302				
Accrued dividends – current year	303				
Bad Debt	304				
Equity in income from subsidiaries/affil.	306				
Exempt income under section 81	307				
Income from international banking centres					
Mandatory inventory adjustment	309				
Contributions to a qualifying enviro. trust	310				
Non-Canadian advertising – broadcasting	311				
Non-Canadian advertising – printed	312				
Optional value of inventory	313				
Other income from financial statements	314				
Payments made for allocations	315				
Contractor's completion method adjust.	316				
Non-taxable other comprehensive income	347				
Book income on joint venture	348				
Book income on partnership	349				
Canadian development expenses	340				
Canadian exploration expenses	341				
Canadian oil and gas property expenses	342				
Depletion from Schedule 12	344				
Foreign explore & development expenses	345				
Other deductions	396				
Total of lines 401 to 396		705,934			
<b>Net income or (loss) for tax purposes</b>		(85,126)	(61,362)		

5 Year Summary (S1)

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Corporation name: Rideau St. Lawrence Distribution Inc.

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## Summary 5 Year Comparative for Rideau St. Lawrence Distribution Inc.

### Taxable Income

Tax year ending:	2020/12/31	2019/12/31	2018/12/31	2017/12/31	2016/12/31
Net income or (loss) for tax purposes	(85,126)	(61,362)	(36,438)	(55,115)	(8,207)
<b>Deduct</b>					
Charitable donations from Schedule 2	311				
Gifts to Canada, a province, or a territory					
Cultural gifts from Schedule 2	313				
Ecological gifts from Schedule 2	314				
Gift of medicine from Schedule 2	315				
Taxable dividends deductible	320				
Part VI.1 tax deduction	325				
Non-capital losses of previous tax years	331				
Net-capital losses of previous tax years	332				
Restricted farm losses of previous years	333				
Farm losses of previous tax years	334				
Limited partner losses of previous years	335				
Taxable capital gains from a central CU	340				
Prospector's and grubstaker's shares	350				
<b>Subtotal</b>					
<b>Subtotal (if negative, enter "0")</b>					
<b>Add</b>					
Section 110.5 or 115(1)(a)(vii) additions	355				
Taxable income	360				
Income exempt under paragraph 149(1)(t)	370				
<b>Taxable income (net of exempt income)</b>					
<b>Active business income</b>					

### Part I Tax

Tax year ending:	2020/12/31	2019/12/31	2018/12/31	2017/12/31	2016/12/31
Base amount Part I tax	550				
Personal services business income tax	560				
Recapture of investment tax credit	602				
Refundable tax on investment income	604				
<b>Subtotal</b>					
<b>Deduct</b>					
Small business deduction from line 430					
Federal tax abatement	608				
Manufacturing/processing profits deduction	616				
Investment corporation deduction	620				
Additional deduction – credit unions					
Federal foreign non-business income cred.	632				
Federal foreign business income tax credit	636				
General tax reduction for CCPCs (M)	638				
General tax reduction (X)	639				
Federal logging tax credit	640				
Eligible Canadian bank deduction	641				
Federal environmental trust tax credit	648				
Investment tax credit	652				
<b>Subtotal</b>					
<b>Part I tax payable</b>					

Corporation name: Rideau St. Lawrence Distribution Inc.

Business number: 864851993RC0001

Year end: 2020-12-31

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**Summary of Tax and Credits**

Tax year ending:	2020/12/31	2019/12/31	2018/12/31	2017/12/31	2016/12/31
Part I tax payable	700				
Part II surtax payable					
Part III.1 tax payable	710				
Part IV tax payable	712				
Part IV.1 tax payable	716				
Part VI tax payable	720				
Part VI.1 tax payable	724				
Part XIII.1 tax payable	727				
Part XIV tax payable	728				
<b>Total federal tax</b>					
Net provincial or territorial tax payable	760				
<b>Total tax payable</b>	770				
<b>Deduct</b>					
Investment tax credit refund	780				
Dividend refund	784				
Federal capital gains refund	788				
Federal environmental trust credit refund	792				
Canadian film or video production refund	796				
Film/video prod'n services tax credit refund	797				
Canadian journalism labour tax credit	798				
Tax withheld at source	800				
Provincial/territorial cap. gains refund	808				
Provincial and territorial refundable credits	812				
Tax instalments paid	840				7,305
<b>Total credits</b>	890				7,305
<b>Balance owing (refund)</b>					(7,305)

