Canada Revenue Agency / Agence du revenu du Canada

Code 1901

Scientific Research and Experimental Development (SR&ED) Expenditures Claim

Use this form:

- to provide technical information on your SR&ED projects;
- to calculate your SR&ED expenditures; and
- to calculate your qualified SR&ED expenditures for investment tax credits (ITC).

To claim an ITC, use either:

- Schedule T2SCH31, Investment Tax Credit – Corporations; or
- Form T2038(IND), Investment Tax Credit (Individuals).

The information requested in this form and documents supporting your expenditures and project information (Part 2) are prescribed information.

In Part 6, a new box is added: Box 758 that must be filled if traditional method is used. The information is required for tax year ends after 2020 and optional for tax year ends before 2021.

Your SR&ED claim must be filed within 12 months of the filing due date of your income tax return.

To help you fill out this form, use the T4088, Guide to Form T661, which is available on our website: **canada.ca/taxes-sred**.

Part 1 – General information

010 Name of claimant: BURLINGTON HYDRO INC.

Tax year: From 2024-01-01 (Year Month Day) to 2024-12-31 (Year Month Day)

050 Total number of projects you are claiming this tax year: 1

Enter one of the following:

[redacted]
Business number (BN)

Social insurance number (SIN)

100 Contact person for the financial information	**105** Telephone number/extension	**110** Fax number
SALMAN MOIN	(905) 332-1851	(905) 332-8384
115 Contact person for the technical information	**120** Telephone number/extension	**125** Fax number
Paul Heeg	(905) 332-1851	

151 If this claim is filed for a partnership, was Form T5013 Partnership Information Return filed? . . . . ☐ Yes ☐ No

If you answered **no** to line 151, complete lines 153, 156 and 157.

153 Names of the partners	**156** %	**157** BN or SIN
1		
2		
3		
4		
5		

Part 2 - Project information

CRA internal form identifier 060
Code 1901

Complete a separate Part 2 for each project claimed this year.

Section A - Project identification

200 Project title (and identification code if applicable)

See schedule

Part 3 – Calculation of SR&ED expenditures

What did you spend on your SR&ED projects?

Section A – Select the method to calculate the SR&ED expenditures

I elect (choose) to use the following method to calculate my SR&ED expenditures and related investment tax credits (ITC) for this tax year.
I understand that my election is irrevocable (cannot be changed) for this tax year.

160 [X] I elect to use the proxy method
(Enter "0" on line 360 and complete Part 5.)

162 [ ] I choose to use the traditional method
(Enter "0" on line 502. Complete line 360.)

Section B – Calculation of allowable SR&ED expenditures (to the nearest dollar)

• SR&ED portion of salary or wages of employees directly engaged in the SR&ED:			
a) Employees other than specified employees for work performed in Canada	300	+	120,961
b) Specified employees for work performed in Canada	305	+	
Subtotal (add lines 300 and 305)	306	=	120,961
c) Employees other than specified employees for work performed outside Canada (subject to limitations – see guide)	307	+	
d) Specified employees for work performed outside Canada (subject to limitations – see guide)	309	+	
• Salary or wages identified on line 315 in prior years that were paid in this tax year	310	+	
• Salary or wages incurred in the year but not paid within 180 days of the tax year end	315		
• Cost of materials consumed in performing SR&ED	320	+	
• Cost of materials transformed in performing SR&ED	325	+	
• Contract expenditures for SR&ED performed on your behalf:			
a) Arm's length contracts	340	+	291,690
b) Non-arm's length contracts	345	+	
• Overhead and other expenditures (enter "0" if you elected to use the proxy method at line 160)	360	+	
• Third-party payments (complete Form T1263*)	370	+	
Total allowable SR&ED expenditures (add lines 306 to 370; do not add line 315)	380	=	412,651

If the above expenditures have been included in your income statement, enter this amount on line 118 of Schedule T2SCH1 or, if you are an individual, include this amount in your self-employment income (lines 135 to 143) reported on your individual income tax and benefit return.

Section C – Calculation of pool of deductible SR&ED expenditures (to the nearest dollar)

Amount from line 380	420		412,651
Deduct			
• provincial government assistance for expenditures included on line 380	429	–	12,380
• other government assistance for expenditures included on line 380	431	–	602
• non-government assistance for expenditures included on line 380	432	–	
• SR&ED ITCs applied and/or refunded in the prior year (do not include ITCs allocated from a partnership)	435	–	
• sale of SR&ED capital assets and other deductions	440	–	
Subtotal (line 420 minus lines 429 to 440)	442	=	399,669
Add			
• repayments of government and non-government assistance that previously reduced the SR&ED expenditure pool	445	+	
• prior year's pool balance of deductible SR&ED expenditures (from line 470 of prior year T661)	450	+	306,448
• SR&ED expenditure pool transfer from amalgamation or wind-up	452	+	
• amount of SR&ED ITC recaptured in the prior year	453	+	
Amount available for deduction (add lines 442 to 453) (enter positive amount only, include negative amount in income)	455	=	706,117
• Deduction claimed in the year (Corporations should enter this amount on line 411 of schedule T2SCH1)	460	–	706,117
Pool balance of deductible SR&ED expenditures to be carried forward to future years (line 455 minus 460)	470	=	

* Form T1263, Third-Party Payments for Scientific Research and Experimental Development (SR&ED)

Part 4 – Calculation of qualified SR&ED expenditures for investment tax credit (ITC) purposes (to the nearest dollar)

The resulting amount is used to calculate your refundable and/or non refundable ITC.

Total allowable SR&ED expenditures (from line 380)	492		412,651
Add			
• payment of prior years' unpaid amounts (other than salary or wages) (see note 1)	500	+	
• prescribed proxy amount (complete Part 5) (Enter "0" if you use the traditional method)	502	+	62,514
• qualified expenditures transferred to you (see note 3) (complete Form T1146**)	508	+	
Subtotal (add lines 492 to 508)	511	=	475,165
Deduct			
• provincial government assistance	513	–	14,568
• other government assistance	515	–	602
• non-government assistance and contract payments	517	–	
• current expenditures (other than salary or wages) not paid within 180 days of the tax year end (see **note 1**)	520	–	
• 80% of the amounts paid in respect of an SR&ED contract to a person or partnership that is not a taxable supplier	528	–	
• 20% of the amount on lines 340 and 370	529	–	58,338
• prescribed expenditures not allowed by regulations (see guide)	530	–	
• other deductions (see guide)	533	–	
• non-arm's length transactions			
– assistance allocated to you (complete Form T1145*)	538	–	
– expenditures for non-arm's length SR&ED contracts (from line 345)	541	–	
– adjustments to purchases (limited to costs) of goods and services from non-arm's length suppliers (see guide)	542	–	
– qualified expenditures you transferred (complete Form T1146**)	544	–	
Qualified SR&ED expenditures (line 511 minus lines 513 to 544)	559	=	401,657
Add			
• repayments of assistance and contract payments made in the year	560	+	
Total qualified SR&ED expenditures for ITC purposes (add lines 559 and 560)	570	=	401,657

* Form T1145, Agreement to Allocate Assistance for SR&ED Between Persons Not Dealing at Arm's Length

** Form T1146, Agreement to Transfer Qualified Expenditures Incurred in Respect of SR&ED Contracts Between Persons Not Dealing at Arm's Length

Note 1 – For arm's length contracts, only include 80% of the contract amount.

Part 5 – Calculation of prescribed proxy amount (PPA)

A notional amount representing your overhead and other expenditures.

This part calculates the PPA to enter on line 502 in Part 4. Do not complete this part if you have chosen to use the traditional method in Part 3 (line 162).
You can only claim a PPA if you elected to use the proxy method for the year in Part 3 (line 160).

Special rules apply for specified employees. Calculate your salary base in Section A and the PPA in Section B.

Section A – Salary base

Salary or wages of employees other than specified employees (from lines 300 and 307)	810	+	120,961
Deduct			
Bonuses, remuneration based on profits, and taxable benefits that were included on line 810	812	–	7,299
Subtotal (line 810 minus 812)	814	=	113,662

Salary or wages of specified employees

850	852	854	856	858	860
Column 1	**Column 2**	**Column 3**	**Column 4**	**Column 5**	**Column 6**
Name of specified employee	Total salary or wages for the year (SR&ED and non-SR&ED) excluding bonuses, remuneration based on profits, and taxable benefits (to the nearest dollar)	% of time spent on SR&ED (maximum 75%)	Amount in column 2 multiplied by percentage in column 3	2,5 x A x B/365 A = Year's maximum pensionable earnings B = Number of days employed in tax year	Amount in column 4 or 5, whichever amount is less

(Enter total of column 6 on line 816) — 816 +

Salary base (total of lines 814 and 816)	818	=	113,662

Section B – Prescribed proxy amount (PPA)

Enter 55 % of the salary base (line 818)	820	=	62,514

Enter the amount from line 820 on to line 502 in Part 4 unless the overall cap on PPA applies to you. (See the guide for explanation and example of the overall cap on PPA)

Part 6 – Project costs

Information requested in this part must be provided for **all** SR&ED projects claimed in the year.
Expenditures should be recorded and allocated on a project basis.

* For Box 758, the information is required for tax year ends after 2020 and optional for tax year ends before 2021.

750	752	754	756	758
Project title or identification code	Salary or wages in the tax year (Total of lines 306 to 309)	Cost of materials in the tax year (Total of lines 320 and 325)	Contract expenditures for SR&ED performed on your behalf in the tax year (Total of lines 340 and 345)	Overhead and other expenditures in the tax year* (total of line 360, if applicable)
1 2024-01 Development of Grid Asset Management Systems	120,961		291,690	
Total	120,961		291,690	

Part 7 – Additional information

Expenditures for SR&ED performed by you in Canada (line 380 minus lines 307, 309, 340, 345, and 370) **605** 120,961

From the total you entered on line 605, estimate the percentage of distribution of the sources of funds for SR&ED performed within your organization.

		Canadian (%)		Foreign (%)
Internal	600	100.000		
Parent companies, subsidiaries, and affiliated companies	602		604	
Federal grants (do not include funds or tax credits from SR&ED tax incentives)	606			
Federal contracts	608			
Provincial funding	610			
SR&ED contract work performed for other companies on their behalf	612		614	
Other funding (e.g., universities, foreign governments)	616		618	

For statistical purposes indicate whether the work you performed falls within the realm of Basic or Applied research (to advance scientific knowledge) or Experimental development (to achieve a technological advancement):

620 [ ] Basic or Applied research   **622** [X] Experimental development

Enter the number of SR&ED personnel in full-time equivalents (FTE):

Scientists and engineers	632	1
Technologists and technicians	634	1
Managers and administrators	636	1
Other technical supporting staff	638	1

Part 8 – Claim checklist

To ensure your claim is complete, make sure you have:

1. used the current version of this form . . . [X]
2. entered the method you have chosen for reporting your SR&ED expenditures in Section A of Part 3 . . . [X]
3. completed Part 2 for each project . . . [X]
4. filed a completed Schedule T2SCH31 or Form T2038(IND) to claim ITCs on your qualified SR&ED expenditures . . . [X]
5. filed a completed Form T1145*, T1146**, T1174*** and/or T1263**** including any required attachments, if applicable . . . [X]

To expedite the processing of your claim, make sure you have:

1. completed Form T2, Corporation Income Tax Return or Form T1, Income Tax and Benefit Return . . . [X]
2. filed the appropriate provincial and/or territorial tax credit forms, if applicable . . . [X]
3. retained documents to support the SR&ED work performed and SR&ED expenditures you claimed . . . [X]
4. checked boxes 231 and 232 on page 2 of your T2 return to indicate attachment of Form T661 and Schedule T2SCH31 . . . [X]

* Form T1145, Agreement to Allocate Assistance for SR&ED Between Persons Not Dealing at Arm's Length

** Form T1146, Agreement to Transfer Qualified Expenditures Incurred in Respect of SR&ED Contracts Between Persons Not Dealing at Arm's Length

*** Form T1174, Agreement Between Associated Corporations to Allocate Salary or Wages of Specified Employees for Scientific Research and Experimental Development (SR&ED)

**** Form T1263, Third-Party Payments for Scientific Research and Experimental Development (SR&ED)

Part 9 – Claim preparer information

Information requested in this part must be provided for each claim preparer that has accepted consideration to prepare or assist in the preparation of this SR&ED claim. Certification is required on lines 935, 970, and 975.

A $1,000 penalty may be assessed if the information requested below about the claim preparer(s) and billing arrangement(s), is missing, incomplete, or inaccurate. Where a claim preparer has prepared or assisted in the preparation of this SR&ED form, the claimant and the claim preparer will be jointly and severally, or solidarily, liable for the penalty.

935 Was a claim preparer engaged in any aspect of the preparation of this SR&ED claim?

[X] Yes (complete the claim preparer information table and lines 970 and 975 below)

[ ] No (complete lines 970 and 975)

Claim preparer information table

940 Name of claim preparer (company or individual)	945 Business number	950 Billing arrangement code (see codes below*)	955 Billing rate (percentage, hourly/daily rate or flat fee)	960 Other billing arrangement(s) (Maximum 10 words)	965 Total fee paid, payable, or expected to pay
1. KPMG LLP	[redacted]	1	0.25		18,704
				Total	18,704

*** Billing arrangement codes**

Code	Type of billing arrangement
1	Contingency fee arrangement – where the fee is based on a percentage of the investment tax credit earned
2	Hourly rate
3	Daily rate
4	Flat fee arrangement (lump sum)
5	Other arrangements – describe the arrangement in box 960 in 10 words or less

970 I, Sally Blackwell, certify that the information provided in this part is complete and accurate.

Name of authorized signing officer of the corporation, or individual (print)

Signature: SBlackwell

975 2025/06/30
Year Month Day

T661 E (20)

Part 10 – Certification

I certify that I have examined the information provided on this form and on the attachments and it is true, correct, and complete.

165 Sally Blackwell
Name of authorized signing officer of the corporation, or individual

SBlackwell
Signature

170 2025/06/30
Date

175 KPMG LLP
Name of person/firm who completed this form

Privacy Notice

Personal information is collected pursuant to subsections 37(1), 37(11), and 162(5.1) of the Income Tax Act (the Act) and is used for verification of compliance, administration and enforcement of the Scientific Research and Experimental Development (SR&ED) program requirements.

Information may also be used for the administration and enforcement of other provisions of the Act, including assessment, audit, enforcement, collections, and appeals, and may be disclosed under information-sharing agreements in accordance with the Act. Incomplete or inaccurate information may result in assessment of monetary penalties and delays in processing SR&ED claims.

The social insurance number is collected pursuant to section 237 of the Act and is used for identification purposes.

Refer to Personal Information Bank CRA PPU 441 in the Canada Revenue Agency (CRA) Information about Programs and Information Holdings – Personal Information Banks – Canada.ca. Under the Privacy Act, individuals have a right of access to, protection, and correction of their personal information and to file a complaint with the Privacy Commissioner of Canada regarding our handling of their personal information.

Part 2 – Project information (continued)

Project number **1**

CRA internal form identifier 060
Code 1901

Complete a separate Part 2 for each project claimed this year.

Section A – Project identification

200 Project title (and identification code if applicable)

2024-01 Development of Grid Asset Management Systems

202 Project start date	**204** Completion or expected completion date	**206** Field of science or technology code (See guide for list of codes)
2023-10 (Year Month)	2025-04 (Year Month)	1.02.02 Information technology and bioinformatics (Software

Project claim history

208 ☐ Continuation of a previously claimed project **210** ☒ First claim for the project

218 Was any of the work done jointly or in collaboration with other businesses? . . . . ☐ Yes ☒ No

If you answered **yes** to line 218, complete lines 220 and 221.

220 Names of the businesses	**221** BN
1	

Section B – Project descriptions

242 What scientific or technological uncertainties did you attempt to overcome?
(*Maximum 50 lines*)

Climate change is inducing significant alterations to seasonal and annual meteorological patterns. These environmental variations introduce considerable operational vulnerabilities for distribution networks, with ramifications that may include the degradation of infrastructure and disruptions in service delivery. In response, Burlington Hydro Inc. ("BHI") has undertaken comprehensive investigations aimed at assessing the impacts of climate actions and ensuring readiness for the foreseen increase in electricity demand. The primary objective was to develop a robust strategy that incorporated multiple factors influencing electricity consumption, including population growth, advancements in energy efficiency, and the transition towards Electric Vehicle (EV) charging and heating systems. Given the dynamic nature of these climatic variables and the lack of an established publicly recognized protocol for performing comprehensive carbon impact evaluations within utility frameworks, BHI was uncertain if a reliable and accurate assessment could be performed.

Asset condition assessment studies were initiated by BHI to obtain real-time data on the health and performance of its electrical assets. This analysis was essential for pinpointing assets that necessitate replacement or recovery strategies aimed at improving the grid's safety and reliability. However, the presence of legacy systems within certain asset categories resulted in the identification of data gaps and unstructured records within the asset database. Additionally, to spatially map and better evaluate asset health profile, it was necessary to achieve seamless integration between the third-party asset assessment software and the Geographical Information System (GIS) unit. Moreover, there was uncertainty in accurately labeling and classifying the extensive volume of assets across different groups for efficient processing of asset data.

Fault detection and feedback relaying mechanisms serve as essential components within the electric grid, facilitating the identification and isolation of anomalies to mitigate damage and enhance the overall reliability of the power system. BHI initiated a "feeder coordination study" aimed at effectively diagnosing and isolating potential faults within the feeder network. However, the dynamic conditions prevalent in the distribution network presented substantial challenges in accomplishing this objective.

Similar challenges were encountered while developing strategies to minimize feeder load unbalance and distribution line losses, which are critical for

242 What scientific or technological uncertainties did you attempt to overcome? (*Maximum 50 lines*)

bolstering grid reliability. Addressing these challenges demanded a thorough analysis of the network's power line infrastructure.

244 What work did you perform **in the tax year** to overcome the scientific or technological uncertainties described in line 242? (Summarize the systematic investigation or search) (*Maximum 100 lines*)

BHI sought to develop methods for a robust electricity distribution framework that aligned with climate objectives while strengthening resilience against operational vulnerabilities attributed to climate change. This initiative required addressing the challenges associated with electrification and anticipated future electricity demands within the energy sector. In the initial phase, efforts were focused on developing the critical climate action scenarios that defined the future energy demands. Various assumptions were incorporated into the development of these climate models, particularly regarding population growth rates and rates of electrification adoption, among other factors. BHI employed a bottom-up forecasting methodology to independently estimate energy consumption and peak electricity demand across the residential, commercial, and transportation sectors. This approach required processing of granular data on housing types, commercial operations, and historical consumption trends to yield projections regarding employment growth and electric vehicle (EV) adoption. In addition, to bolster grid resilience, an array of distribution grid designs was evaluated, which facilitated enhanced system redundancy and integrated automated solutions aimed at improving outage visibility and response efficiency. Furthermore, BHI conducted a detailed examination of various methodologies for enhancing the resilience of existing critical infrastructure against climate-induced risks to better handle outages caused by storms. Following these comprehensive evaluations, BHI formulated an all-encompassing climate action strategy aimed at supporting prospective load requirements while simultaneously maintaining grid reliability.

BHI's objective was to establish a comprehensive asset assessment methodology for the development of a risk index tailored to its varied asset portfolio. This initiative employed a digital solution aimed at enhancing asset data acquisition and generating health insights, thereby facilitating data-driven decision-making processes. The initial phases prioritized the implementation of data cleansing and filtering methodologies to standardize the heterogeneous raw asset data records. This standardization was essential for resolving inconsistencies from legacy classifications of certain asset categories which contained minimal asset characteristic information. Subsequently, BHI commenced the identification of critical asset categories based on current asset age, allowing for the identification of key assets necessitating multi-tier inspections to accurately develop their risk profiles. This comprehensive analysis enabled the proactive identification of assets deemed irreparable, thereby allowing for preemptive replacement actions to prevent adverse effects on grid reliability. Concurrently, data integration channels were established between the assessment database and the Geographic Information Systems (GIS) repository to enhance the visualization and analysis of asset health scores. This integration was pivotal for discerning various asset health patterns and optimizing resource management in a more efficient and resilient framework. Ultimately, through these methodical steps, BHI succeeded in the development of a digitized risk index applicable to its diverse asset classes.

BHI also focused on developing methodologies to synchronize upstream protection systems and effectively redistribute loads to neighboring substations in the event of a failure or fault at any feeder. Initially, efforts were centered on employing statistical methods to analyze distribution data obtained from the CYME tool, which is designed for comprehensive distribution system analysis. The resultant data facilitated the creation of load charts for each connected phase. Following this, load

244 What work did you perform **in the tax year** to overcome the scientific or technological uncertainties described in line 242? (Summarize the systematic investigation or search) (*Maximum 100 lines*)

patterns were investigated to assess the available capacity within each phase. To resolve existing feeders load imbalance, BHI restructured the feeder tie switches and single-phase loads, enabling a seamless transition of surplus load to phases that were under-utilized. This strategic shift was designed to occur without inducing any phase or feeder overload conditions.
Investigative work regarding broader transformer station network issues was scheduled to proceed into FY25, aiming to ensure continued system reliability and safety.

246 What scientific or technological advancements did you achieve or attempt to achieve as a result of the work described in line 244? (*Maximum 50 lines*)

The work performed for this project represents a technological advancement in the fields of IT and Electrical Engineering.

BHI successfully developed a comprehensive sustainability framework that equipped the electricity distribution system to meet future power demands while effectively addressing challenges associated with climate change. In the formulation of this strategy, BHI enhanced its capabilities in identifying and analyzing the various factors influencing future electricity demand within its network. Additionally, these initiatives enabled BHI to define new grid designs that ensure reliable power delivery and enhance resilience against climate impacts. This sustainability model functions as a template for utilities aiming to protect their distribution networks while adapting to the evolving requirements of the energy sector.

BHI successfully established a robust and consistent framework for calculating the health metrics of the heterogeneous assets within its distribution network. The methodologies developed for the cleansing of raw data and the archival of historical records have facilitated precise asset assessments utilizing current data. Furthermore, the adaptable evaluation framework implemented by BHI provides a generalized model for heath index category calculations for various grid assets in subsequent inspection cycles. Furthermore, the model facilitates seamless visualization of asset performance patterns for improved decision making thus aiding grid reliability.

BHI advanced the understanding of monitoring and capturing the asset health data on protection devices (fuses and relays) deployed in the distribution network. By successfully analyzing the load unbalance on additional substation feeders during FY2024, Burlington Hydro ensured the safety and reliability of the electric grid under severe outage conditions and advanced their knowledge on minimizing outages by prioritizing fuse coordination and protection.

Section C – Additional project information

Who prepared the responses for Section B?

253 ☐ Employee directly involved in the project	254 Name		
255 ☐ Other employee of the company	256 Name		
257 ☒ External consultant	258 Name KPMG LLP	259 Firm KPMG LLP	

List the key individuals directly involved in the project and indicate their qualifications/experience.

260 Names	261 Qualifications/experience and position title
1 [redacted]	Manager System Planning and Stations, 18+ years of experience in electrical engineering and utility systems
2 [redacted]	Engineering Technician, Certified Engineering Technologist, 8+ years of e perience in utility sector in engineering design, analysis and asset
3	

265 Are you claiming any salary or wages for SR&ED performed outside Canada? ☐ Yes ☒ No

266 Are you claiming expenditures for SR&ED carried out on behalf of another party? ☐ Yes ☒ No

267 Are you claiming expenditures for SR&ED performed by people other than your employees? ☒ Yes ☐ No

If you answered **yes** to line 267, complete lines 268 and 269.

	268 Names of individuals or companies	269 BN
1	Ameresco	[redacted]
2	JOMAR SOFTCORP SERVICES INC.	[redacted]
3	BBA E&C INC.	[redacted]
4	Power Advisory LLC	[redacted]

What evidence do you have to support your claim? (Check any that apply)
You do not need to submit these items with the claim. However, you are required to retain them in the event of a review.

- 270 ☐ Project planning documents
- 271 ☒ Records of resources allocated to the project, time sheets
- 272 ☐ Design of experiments
- 273 ☒ Project records, laboratory notebooks
- 274 ☐ Design, system architecture and source code
- 275 ☐ Records of trial runs
- 276 ☒ Progress reports, minutes of project meetings
- 277 ☒ Test protocols, test data, analysis of test results, conclusions
- 278 ☐ Photographs and videos
- 279 ☐ Samples, prototypes, scrap or other artefacts
- 280 ☒ Contracts
- 281 ☐ Others, specify 282

Canada Revenue Agency / Agence du revenu du Canada

T2 Corporation Income Tax Return

055 **Do not use this area**

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. 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** or Guide T4012, T2 Corporation – Income Tax Guide.

Identification

Business number (BN) . . . . **001** [redacted]

Corporation's name
002 BURLINGTON HYDRO INC.

Address of head office
Has this address changed since the last time the CRA was notified? . . . . **010** Yes [ ] No [X]
If **yes**, complete lines 011 to 018.
011 1340 Brant Street
012
City **015** Burlington
Province, territory, or state **016** ON
Country (other than Canada) **017**
Postal or ZIP code **018** L7R 3Z7

Mailing address (if different from head office address)
Has this address changed since the last time the CRA was notified? . . . . **020** Yes [ ] No [X]
If **yes**, complete lines 021 to 028.
021 c/o
022 1340 Brant Street
023
City **025** Burlington
Province, territory, or state **026** ON
Country (other than Canada) **027**
Postal or ZIP code **028** L7R 3Z7

Location of books and records (if different from head office address)
Has this address changed since the last time the CRA was notified? . . . . **030** Yes [ ] No [X]
If **yes**, complete lines 031 to 038.
031
032
City **035**
Province, territory, or state **036**
Country (other than Canada) **037**
Postal or ZIP code **038**

040 **Type of corporation at the end of the tax year** (tick one)
- [X] 1 Canadian-controlled private corporation (CCPC)
- [ ] 2 Other private corporation
- [ ] 3 Public corporation
- [ ] 4 Corporation controlled by a public corporation
- [ ] 5 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 (Year Month Day) **060** 2024-01-01
Tax year-end (Year Month Day) **061** 2024-12-31

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 [ ] No [X]
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 [ ] No [X]

Is the corporation a professional corporation that is a member of a partnership? . . . . **067** Yes [ ] No [X]

Is this the first year of filing after:
Incorporation? . . . . **070** Yes [ ] No [X]
Amalgamation? . . . . **071** Yes [ ] No [X]
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 [ ] No [X]
If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? . . . . **076** Yes [ ] No [X]

Is this the final return up to dissolution? . . . . **078** Yes [ ] No [X]

If an election was made under section 261, state the functional currency used **079**

Is the corporation a resident of Canada? **080** Yes [X] No [ ]
If **no**, give the country of residence on line 081 and complete and attach Schedule 97.
081

Is the non-resident corporation claiming an exemption under an income tax treaty? . . . . **082** Yes [ ] No [X]
If **yes**, complete and attach Schedule 91.

If the corporation is exempt from tax under section 149, tick one of the following boxes:
085
- [ ] 1 Exempt under paragraph 149(1)(e) or (l)
- [ ] 2 Exempt under paragraph 149(1)(j)
- [ ] 4 Exempt under other paragraphs of section 149

Do not use this area
095 **096** **898**

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.
Schedules – Answer the following questions. For each **yes** response, **attach** the schedule to the T2 return, unless otherwise instructed.

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders who own voting shares?	151		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		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		44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	X	15
Is the corporation claiming a loss or deduction from a tax shelter?	166		T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	167		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		22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170		29
Did the corporation have a total amount over CAN$1 million of reportable transactions with non-arm's length non-residents?	171		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	X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172		———
Does the corporation earn income from one or more Internet web pages or websites?	180		88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	202	X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	3
Is the corporation claiming any type of losses?	204	X	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205	X	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206		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 ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming deductible reserves?	213		13
Is the corporation claiming a patronage dividend deduction?	216		16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or a provincial credit union tax reduction?	217		17
Is the corporation an investment corporation or a mutual fund corporation?	218		18
Is the corporation carrying on business in Canada as a non-resident corporation?	220		20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	221		21
Does the corporation have any Canadian manufacturing and processing profits or zero-emission technology manufacturing profits?	227		27
Is the corporation claiming an investment tax credit?	231	X	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232	X	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over $10,000,000?	233	X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234	X	———
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
Is the corporation claiming a Part I tax credit?	242		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		43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		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		39
Is the corporation claiming a Canadian film or video production tax credit?	253		T1131
Is the corporation claiming a film or video production services tax credit?	254		T1177
Is the corporation claiming a Canadian journalism labour tax credit?	272		58
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	255		92

Attachments (continued)

		Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$100,000?	259		T1135
Did the corporation transfer or loan property to a non-resident trust?	260		T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261		T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262		T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263		T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264		T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265	X	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266		T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267		T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268	X	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		54
Is the corporation claiming a return of fuel charge proceeds to farmers tax credit?	273		63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	274		59
Is the corporation claiming an air quality improvement tax credit?	275		65
Is the corporation subject to the additional 1.5% tax on banks and life insurers?	276		68
Is the corporation a covered entity that redeemed, acquired or cancelled equity of the corporation in the tax year?	277		56
Is the corporation subject to the excessive interest and financing expenses limitation (EIFEL) rules contained primarily in sections 18.2 and 18.21, or is it a party to any election under the EIFEL rules?	278	X	130

Additional information

		Yes	No
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	X	
Is the corporation inactive?	280		X
Did the corporation meet the definition of substantive CCPC under subsection 248(1) at any time during the tax year?	290		X

What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution

Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	ELECTRICITY DISTRIBUTION	285	100.000 %
286		287	%
288		289	%

		Yes	No
Did the corporation immigrate to Canada during the tax year?	291		X
Did the corporation emigrate from Canada during the tax year?	292		X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293		

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 Year Month Day

If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes ☐ No ☐

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI			300	5,999,006	A
Deduct:					
Charitable donations from Schedule 2	311	35,962			
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	4,115,201			
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				
Restricted interest and financing expenses from Schedule 4	336				
Taxable capital gains or taxable dividends allocated from a central credit union	340				
Prospector's and grubstaker's shares	350				
Employer deduction for non-qualified securities	352				
Subtotal		4,151,163	►	4,151,163	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")				1,847,843	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions			355		D
Taxable income (amount C **plus** amount D)			360	1,847,843	

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

Small business deduction

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

Income eligible for the small business deduction from Schedule 7	400	5,999,006	A
Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) 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	1,847,843	B
Business limit (see notes 1 and 2 below)	410	500,000	C

Notes:

1. For CCPCs that are not associated, enter $ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year **divided** by 365, and enter the result on line 410.
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction

Taxable capital business limit reduction

Amount C 500,000 x 415 *** 402,591 D / 90,000 = 2,236,617 E

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7**** . 417 ______ – 50,000 = ______ F

Amount C 500,000 / 100,000 x Amount F ______ = ______ G

The greater of amount E and amount G 422 2,236,617 H

Reduced business limit (amount C **minus** amount H) (if negative, enter "0")	426		I
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below)			J
Reduced business limit after assignment (amount I **minus** amount J)	428		K
Small business deduction – Amount A, B, C, or K, whichever is the least ______ x 19 % =	430		

Enter amount from line 430 at amount L 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.

*** **Large corporations**

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

**** 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.

Small business deduction (continued)

Specified corporate income and assignment under subsection 125(3.2)

	L1 Name of corporation receiving the income and assigned amount	L Business number of the corporation receiving the assigned amount 490	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L [3] 500	N Business limit assigned to corporation identified in column L [4] 505
1.				
			Total 510	Total 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 or substantive CCPCs at any time in the tax year

Taxable income from line 360 on page 3			1,847,843	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")			1,847,843	H
General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 %			240,220	I

Enter amount I on line 638 on page 8.

* This is not applicable to substantive CCPCs.

** 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, a substantive CCPC, 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.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year or substantive CCPCs at any time in the tax year

Aggregate investment income from Schedule 7 . . . . **440** ______ x 30 2 / 3 % =		. . . .	______ A
Foreign non-business income tax credit from line 632 on page 8	______ B		
Foreign investment income from Schedule 7 . . . . **445** ______ x 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	1,847,843 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 . . . . ______ x 75 / 29 = ______ H			
Foreign business income tax credit from line 636 on page 8 . . ______ x 4 = ______ I			
Subtotal (**add** amounts G to I) ______ ▶	______ J		
Subtotal (amount F **minus** amount J)	1,847,843 K	x 30 2 / 3 % =	566,672 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 **450**			______ N

* This is not applicable to substantive CCPCs.

Refundable dividend tax on hand

Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (line 530 of the preceding tax year)		520		A
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (line 545 of the preceding tax year) (if negative, enter "0")		535		B
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)	C			
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)	D			
Subtotal (amount C **plus** amount D)		▶		E
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary		525		F
ERDTOH dividend refund for the previous tax year		570		G
Refundable portion of Part I tax (from line 450 on page 6)				H
Part IV tax before deductions (amount 2A from Schedule 3)	I			
Part IV tax allocated to ERDTOH (amount E)	J			
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)	K			
Subtotal (amount I **minus** total of amounts J and K)		▶		L
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary		540		M
NERDTOH dividend refund for the previous tax year		575		N
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)				O
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount L **minus** amount O) (if negative enter "0")				P
NERDTOH at the end of the tax year (total of amounts B, H, M, and P **minus** amount N) (if negative, enter "0")		545		
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount E **minus** the amount, if any, by which amount O exceeds amount L) (if negative, enter "0")				Q
ERDTOH at the end of the tax year (total of amounts A, F, and Q **minus** amount G) (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)	795,573	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")	795,573	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.

Part I tax

Base amount Part I tax – Taxable income (from line 360 on page 3) **multiplied** by 38 %			550	702,180 A
Additional tax on personal services business income (section 123.5)				
Taxable income from a personal services business	555	x 5 % =	560	B
Additional tax on banks and life insurers from Schedule 68			565	C
Total labour requirements addition to tax			580	D
Recapture of investment tax credit from Schedule 31			602	E

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

Aggregate investment income from line 440 on page 6		F
Taxable income from line 360 on page 3	1,847,843 G	
Deduct:		
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least*	H	
Net amount (amount G **minus** amount H)	1,847,843 ▶	1,847,843 I

Refundable tax on CCPC's or substantive CCPC's investment income – 10 2 / 3 % of whichever is less: amount F or amount I	604	J
Subtotal (**add** amounts A to E and J)		702,180 K

Deduct:

Small business deduction from line 430 on page 4		L	
Federal tax abatement	608	184,784	
Manufacturing and processing profits deduction and zero-emission technology manufacturing 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	240,220	
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	277,176	
Subtotal		702,180 ▶	702,180 M

Part I tax payable – Amount K **minus** amount M	N

Enter amount N on line 700 on page 9.

* This is not applicable to substantive CCPCs.

Privacy notice

Personal information (including the SIN) is collected and used to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be disclosed to other federal, provincial, territorial, aboriginal or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, and 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 **canada.ca/cra-info-source**.

Summary of tax and credits

Federal tax

Part I tax payable from amount N on page 8	700	
Part II.2 tax payable from Schedule 56	705	
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 VI.2 tax payable from Schedule 67	725	
Part XII.7 tax payable from Schedule 78	726	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		

Add provincial or territorial tax:

Provincial or territorial jurisdiction 750 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec and Alberta)			760	134,381
Total tax payable			770	134,381 A

Deduct other credits:

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		
Return of fuel charge proceeds to farmers tax credit from Schedule 63	795		
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		
Air quality improvement tax credit from Schedule 65	799		
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	137,342	
Total credits	890	137,342 ▶	137,342 B

Balance (amount A **minus** amount B) -2,961

If the result is negative, you have **a refund**. If the result is positive, you have a **balance owing**. Enter the amount below on whichever line applies.

Generally, the CRA does not charge or refund a difference of $2 or less.

Refund code 894 1 Refund 2,961 Balance owing

For information on how to enrol for direct deposit, go to **canada.ca/cra-direct-deposit**. For information on how to make your payment, go to **canada.ca/payments**.

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due? 896 Yes ☐ No ☒

If this return was prepared by a tax preparer for a fee, provide their: EFILE number 920 A6698

RepID 925

Certification

I, 950 Blackwell (Last name) 951 Sally (First name) 954 Vice President and 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 2025/06/30 Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation 956 (905) 332-1851 Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below 957 Yes ☐ No ☒

958 SALMAN MOIN (Name of other authorized person) 959 (905) 332-1851 (Telephone number)

Language of correspondence – Langue de correspondance

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

BURLINGTON HYDRO INC.
[redacted]
Taxation Year: December 31, 2024

Election under Subsection 13(7.4) to reduce the capital cost of depreciable property where inducement received.

The above taxpayer hereby elects to have subsection 13(7.4) apply to reduce the capital cost of the depreciable property listed below with respect of assistance received in the 2024 taxation year.

Capital Property: Distribution Assets, Class 47 Cost $23,399,707

Capital contributions: $10,718,791

Financial Statements of

BURLINGTON HYDRO INC.

And Independent Auditor's Report thereon
Year ended December 31, 2024

KPMG LLP
Commerce Place
21 King Street West, Suite 700
Hamilton, ON L8P 4W7
Canada
Telephone 905 523 8200
Fax 905 523 2222

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Burlington Hydro Inc.

Opinion

We have audited the financial statements of Burlington Hydro Inc. (the Entity), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of material accounting policy information

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditor's Responsibilities for the Audit of the Financial Statements***" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern.
- If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada
March 27, 2025

BURLINGTON HYDRO INC.

Statement of Financial Position
Year ended December 31, 2024, with comparative information for 2023
(in thousands)

	Note		2024		2023
Assets					
Current assets					
Cash		$	3,279	$	5,249
Securities held as customer deposits	4		2,262		2,648
Accounts receivable	5		26,499		27,809
Unbilled revenue			21,243		19,560
Income taxes receivable	11		228		627
Material and supplies	6		5,992		5,486
Prepaid expenses			708		827
Total current assets			60,211		62,206
Non-current assets					
Right-of-use assets	9		188		226
Property, plant and equipment	7		212,064		195,303
Intangible assets	8		9,967		9,988
Total non-current assets			222,219		205,517
Total assets			282,430		267,723
Regulatory debit balances	12		35,106		26,753
Total assets and regulatory balances		$	317,536	$	294,476

BURLINGTON HYDRO INC.

Statement of Financial Position
Year ended December 31, 2024, with comparative information for 2023
(in thousands)

	Note		2024		2023
Liabilities					
Current liabilities					
Accounts payable, accrued and other liabilities	13	$	37,733	$	37,145
Current portion of lease liabilities	10		33		35
Current portion of long-term debt	14		2,124		2,046
Customer deposits	4		2,262		2,648
Work order deposits			14,528		12,387
Deferred revenue			—		1,336
Total current liabilities			56,680		55,597
Non-current liabilities					
Deferred revenue	15		69,594		60,405
Deferred tax liabilities	11		8,902		7,789
Long-term lease liabilities	10		40		42
Long-term debt	14		59,993		62,117
Liability for employee future benefits	16		4,123		3,591
Total non-current liabilities			142,652		133,944
Total liabilities			199,332		189,541
Equity					
Share capital	17		45,139		45,139
Paid-up capital			876		876
Retained earnings			52,805		48,218
Accumulated other comprehensive Income			14		453
Total equity			98,834		94,686
Total liabilities and equity			298,166		284,227
Regulatory credit balances	12		19,370		10,249
Total liabilities, equity and regulatory balances		$	317,536	$	294,476

See accompanying notes to the financial statements.

On behalf of the Board:

_____________________________ Director _____________________________ Director

BURLINGTON HYDRO INC.

Statement of Comprehensive Income
Year ended December 31, 2024, with comparative information for 2023
(in thousands)

	Note	2024	2023
Revenue			
Distribution revenue		$ 37,270	$ 35,470
Other operating revenue		4,498	4,771
		41,768	40,241
Sale of electricity		209,295	187,703
Total revenue	18	251,063	227,944
Operating expenses			
Operations and maintenance		11,355	11,852
Billing and customer service		3,113	2,922
General administration		10,560	9,245
Depreciation and amortization		8,713	8,129
	19	33,741	32,148
Cost of power purchased		206,406	190,083
Total expenses		240,147	222,231
Income from operating activities		10,916	5,713
Net finance costs	20	(1,670)	(1,704)
Income before income taxes		9,246	4,009
Income taxes	11		
Current		545	(12)
Deferred		1,271	1,653
		1,816	1,641
Net income		7,430	2,368
Net movement in regulatory balances, net of tax			
Net movement in regulatory balances	12	(2,244)	2,771
Income tax on net movement in regulatory balances		1,476	(1,123)
		(768)	1,648
Net income and net movement in regulatory balances		6,662	4,016
Other comprehensive (loss)			
Remeasurements of liability for future benefits, net of tax		(439)	(145)
Total comprehensive income		$ 6,223	$ 3,871

See accompanying notes to the financial statements.

BURLINGTON HYDRO INC.

Statement of Changes in Equity
Year ended December 31, 2024, with comparative information for 2023
(in thousands)

	Share Capital	Contributed Surplus	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total
Balance at January 1, 2023	$ 45,139	$ 876	$ 47,228	$ 598	$ 93,841
Net income and net movement in regulatory balances	—	—	4,016	—	4,016
Other comprehensive income	—	—	—	(145)	(145)
Dividends	—	—	(3,026)	—	(3,026)
Balance at December 31, 2023	$ 45,139	$ 876	$ 48,218	$ 453	$ 94,686
Balance at January 1, 2024	$ 45,139	$ 876	$ 48,218	$ 453	$ 94,686
Net income and net movement in regulatory balances	—	—	6,662	—	6,662
Other comprehensive income	—	—	—	(439)	(439)
Dividends	—	—	(2,075)	—	(2,075)
Balance at December 31, 2024	$ 45,139	$ 876	$ 52,805	$ 14	$ 98,834

See accompanying notes to the financial statements.

BURLINGTON HYDRO INC.

Statement of Cash Flows
Year ended December 31, 2024, with comparative information for 2023
(in thousands)

	2024	2023
Operating activities		
Net income and net movement in regulatory balances	$ 6,662	$ 4,016
Adjustments for:		
Depreciation and amortization	8,713	8,129
Amortization of deferred revenue	(1,529)	(1,196)
Employee future benefits	(66)	(20)
Loss on disposal / adjustment of property, plant and equipment	174	73
Net finance costs	1,670	1,704
Income tax expense	1,816	1,641
Change in non-cash operating working capital:		
Accounts receivable	1,310	(6,353)
Unbilled revenue	(1,683)	21
Materials and supplies	(506)	(386)
Prepaid expenses	119	(388)
Accounts payable, accrued and other liabilities	588	9,921
Work order deposits	2,141	5,260
Deferred revenue	(1,336)	—
	18,073	22,422
Changes in regulatory balances	768	(1,648)
Income tax paid	(146)	(606)
Interest paid	(2,148)	(2,135)
Interest received	478	431
Net cash from operating activities	17,025	18,464
Investing activities		
Purchase of property, plant and equipment	(24,569)	(31,722)
Proceeds on disposal of property, plant and equipment	49	10
Purchase of intangible assets	(1,034)	(643)
Contributions received from customers	10,719	20,342
Net cash used by investing activities	(14,835)	(12,013)
Financing activities		
Dividends paid	(2,075)	(3,026)
Repayment of long-term debt	(2,046)	(1,970)
Repayment of lease liabilities	(39)	(77)
Net cash used in financing activities	(4,160)	(5,073)
Change in cash	(1,970)	1,378
Cash, beginning of year	5,249	3,871
Cash, end of year	**$ 3,279**	**$ 5,249**

See accompanying notes to the financial statements.

1. Reporting entity

Burlington Hydro Inc. is a rate regulated, municipally owned hydro distribution company incorporated under the laws of Ontario, Canada. The Corporation is located in the City of Burlington (“City”). The address of the Corporation’s registered office is 1340 Brant Street, Burlington, Ontario, L7R 3Z7.

The Corporation delivers electricity and related energy services to residential and commercial customers in the City of Burlington. The Corporation is wholly owned by Burlington Enterprises Corporation (“BEC”) and the ultimate parent company is the City.

The financial statements are for the Corporation as at and for the year ended December 31, 2024.

2. Basis of presentation

(a) Statement of compliance

The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements were approved by the Board of Directors on March 27, 2025.

(b) Basis of measurement

These financial statements have been prepared on the historical cost basis, unless otherwise stated.

(c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest dollar.

(d) Rate regulation

The Corporation is regulated by the Ontario Energy Board (“OEB”), under the authority granted by the *Ontario Energy Board Act, 1998*. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies (“LDCs”), such as the Corporation, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

2. Basis of presentation (continued)

(d) Rate regulation (continued)

Rate setting

Distribution revenue

For distribution revenue, the Corporation files a “Cost of Service” (“COS”) rate application with the OEB every five years where rates are determined through a review of the forecasted annual amount of operating and capital expenditures, debt and shareholder’s equity required to support the Corporation’s business. The Corporation estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and intervenors, and rates are approved based upon this review, including any revisions resulting from that review.

In the intervening years an Incentive Rate Mechanism ("IRM) application is filed. An IRM application results in a formulaic adjustment to distribution rates that were set under the last COS rate application. The previous year’s rates are adjusted for OEB Inflation (equal to the weighted annual change in the Gross Domestic Product Implicit Price Index for Final Domestic Demand (70%) and the Industrial Aggregate for Average Weekly Earnings (30%)), net of a productivity factor and a “stretch factor” determined by the efficiency of an electricity distributor.

As a licensed distributor, the Corporation is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Corporation is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Corporation ultimately collects these amounts from customers.

The Corporation filed an IRM application on August 17, 2023 for rates effective January 1, 2024. In 2024, the Corporation’s cohort ranking with the OEB remained in Group 2 which provides a stretch factor of 0.15%. This resulted in a net adjustment to rates on January 1, 2024 of 4.65% comprised of the OEB inflation for 2024 of 4.80%, less the Corporation’s productivity factor of 0.0% and the stretch factor of 0.15%.

2. Basis of presentation (continued)

(d) Rate regulation (continued)

Electricity rates - Commodity

The OEB sets electricity prices for certain low-volume consumers once each year based on an estimate of how much it will cost to supply the province with electricity for the next year. All remaining consumers pay the market price for electricity or pursuant to their contract with a retailer. The Corporation is billed for the cost of the electricity that its customers use and passes this cost on to the customer at cost without a mark-up.

(e) Use of estimates and judgments

(i) Assumptions and estimation uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

(ii) Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following note:

(i) Note 3(b) – determination of the performance obligation for contributions from customers and the related amortization period

(ii) Note 3(i), 12 – recognition of regulatory balances

(iii) Note 3(k) – leases: whether an arrangement contains a lease

(iv) Note 3(k) – leases: lease term, underlying leased asset value

3. Material accounting policies

In February 2021, the IASB amended IAS 1, Presentation of Financial Statements, and IFRS Practice Statement 2, Making Materiality Judgements, to require entities to disclose material accounting policies rather than significant accounting policies. Further amendments to IAS 1 were made to explain how an entity can identify a material accounting policy. The amendments did not have a material impact on the Corporation's financial statements. The accounting policies set out below have been applied consistently in all years presented in these financial statements.

(a) Financial instruments

All financial assets and all financial liabilities are recognized initially at fair value plus any directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method less any impairment of the financial assets as described in note 3(f). The Corporation does not enter into derivative instruments.

Hedge accounting has not been used in the preparation of these financial statements.

Cash consists of balances held with financial institutions.

(b) Revenue recognition

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are scoped out of IFRS 15 *Revenue from Contracts with Customers*. Cash contributions, received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 *Revenue from Contracts with Customers*. The contributions are received to obtain a connection to the distribution system in order to receive ongoing access to electricity.

3. Material accounting policies (continued)

(b) Revenue recognition (continued)

The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

Other operating revenue

Revenue earned from the provision of services is recognized as the service is rendered. Amounts received in advance are presented as deferred revenue.

Government grants and the related performance incentive payments under CDM ("Conservation and Demand Management") programs are recognized as revenue in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received.

(c) Materials and supplies

Materials and supplies, the majority of which are consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on a weighted average basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location and condition.

(d) Property, plant and equipment

Items of property, plant and equipment ("PP&E") used in rate-regulated activities and acquired prior to January 1, 2014 are measured at deemed cost established on the transition date less accumulated depreciation. All other items of PP&E are measured at cost, or, where the item is contributed by customers, its fair value, less accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes contracted services, materials and transportation costs, direct labour, overhead costs, borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon the weighted average cost of debt incurred on the Corporation's borrowings. Qualifying assets are considered to be those that take in excess of 12 months to construct.

When parts of an item of PP&E have different useful lives, they are accounted for as separate items (major components) of PP&E.

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is determined by comparing the proceeds from disposal, if any, with the carrying amount of the item and is included in profit or loss.

Major spare parts and standby equipment are recognized as items of PP&E.

(in thousands)

3. Material accounting policies (continued)

(d) Property, plant and equipment (continued)

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

The need to estimate the decommissioning costs at the end of the useful lives of certain assets is reviewed periodically. The Corporation has concluded it does not have any legal or constructive obligation to remove PP&E.

Depreciation is calculated to write off the cost of items of PP&E using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted prospectively if appropriate. Land is not depreciated. Construction-in-progress assets are not depreciated until the project is complete and the asset is available for use.

The estimated useful lives are as follows:

Asset	Years
Buildings	10 - 50
Sub-station buildings	50
Sub-station equipment	20 - 40
Distribution lines – overhead	20 - 60
Distribution lines – underground	30 - 60
Distribution – transformers	40
Distribution – meters	15 - 45
Rolling stock	8-20
Tools and equipment	10-15
Office equipment	10
Computer equipment	5

(e) Intangible assets

Intangible assets used in rate-regulated activities and acquired prior to January 1, 2014 are measured at deemed cost established on the transition date, less accumulated amortization. All intangible assets are measured at cost.

Computer software that is acquired or developed by the Corporation after January 1, 2014, including software that is not integral to the functionality of equipment purchased which has finite useful lives, is measured at cost less accumulated amortization.

Payments to obtain rights to access land ("land rights") are classified as intangible assets. These include payments made for easements, right of access and right of use over land for which the Corporation does not hold title. Land rights are measured at cost less accumulated amortization.

3. Material accounting policies (continued)

(e) Intangible assets (continued)

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Amortization methods and useful lives of all intangible assets are reviewed at each reporting date and adjusted prospectively if appropriate. The estimated useful lives are:

Asset	Years
Computer software	5-10
Land rights	35 - 70
Transformer station rights	60

(f) Impairment

(i) Financial assets measured at amortized cost

A loss provision for expected credit losses on financial assets measured at amortized cost is recognized at the reporting date. The loss provision is measured at an amount equal to the lifetime expected credit losses for the asset. Interest on the impaired assets continues to be recognized through the unwinding of the discount. Losses are recognized in profit or loss. An impairment loss is reversed through profit or loss if the impairment requirements is no longer met.

(ii) Non-financial assets

The carrying amounts of the Corporation's non-financial assets, other than materials and supplies, and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or “CGU”). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(g) Customer deposits

Customer deposits represent cash deposits from electricity distribution customers and retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.

3. Material accounting policies (continued)

(g) Customer deposits (continued)

Deposits are refundable to customers who demonstrate an acceptable level of credit risk as determined by the Corporation in accordance with policies set out by the OEB or upon termination of their electricity distribution service.

(h) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Regulatory balances

Regulatory debit balances represent costs incurred in excess of amounts billed to the customer. Regulatory credit balances represent amounts billed to the customer in excess of costs incurred by the Corporation.

Regulatory debit balances are recognized if it is probable that future billings in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable costs for rate-making purposes. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or Other Comprehensive Income (“OCI”). When the customer is billed at rates approved by the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue. The regulatory debit balance is reduced by the amount of these customer billings with the offset to net movement in regulatory balances in profit or loss or OCI.

The probability of recovery of the regulatory debit balances is assessed annually based upon the likelihood that the OEB will approve rates to recover the balance. The assessment of likelihood of recovery is based upon previous decisions made by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any resulting impairment loss is recognized as a loss in the year incurred.

When the Corporation is required to refund amounts to ratepayers in the future, the Corporation recognizes a regulatory credit balance. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the customers are recognized as a reduction of revenue. The credit balance is reduced by the amount of these customer repayments with the offset to net movement in regulatory balances in profit or loss or OCI.

(j) Employee future benefits

(i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System (“OMERS”). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund (“the Fund”), and provides pensions for employees of Ontario municipalities, local boards and public utilities.

3. Material accounting policies (continued)

(j) Post-employment benefits (continued)

(i) Pension plan (continued)

The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. To the extent that the Fund finds itself in an under-funded position, additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension asset and liability information by individual employers, there is insufficient information available to enable the Corporation to directly account for the plan. Consequently, the plan has been accounted for as a defined contribution plan. The Corporation is not responsible for any other contractual obligations other than the contributions. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

(ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medical benefits beyond those provided by government sponsored plans.

The obligations for these post-employment benefit plans are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Re-measurements of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets (excluding interest), are recognized immediately in other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

(k) Leased assets

At inception of a contract, the Corporation assesses whether the contract is or contains a lease. A contract is determined to contain a lease if it provides the Corporation with the right to control the use of an identified asset for a period of time in exchange for consideration. Contracts determined to contain a lease are accounted for as leases. For leases and contracts that contained a lease, the Corporation recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Subsequent to initial recognition, the right-of-use asset is recognized at cost less any accumulated depreciation and any accumulated impairment losses, adjusted for certain remeasurements of the corresponding lease liability.

3. Material accounting policies (continued)

(k) Leased assets (continued)

The lease liability is initially measured at the present value of lease payments plus the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Corporation's incremental borrowing rate.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee, or if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Corporation has elected not to recognize right-of-use assets and lease liabilities for leases that have a lease term of 12 months or less or for leases of low value assets. The Corporation recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(l) Finance income and finance costs

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash balances.

Finance costs comprise interest expense on borrowings, lease liabilities and customer deposits and are recognized in profit or loss.

(m) Income taxes

The income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the *Electricity Act*, 1998, the Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation ("OEFC"). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Tax Acts as modified by the *Electricity Act*, 1998, and related regulations. Payments in lieu of taxes are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

(in thousands)

3. Material accounting policies (continued)

(m) Income taxes (continued)

Deferred tax is recognized in respect of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted, at the reporting date.

4. Securities held as customers deposits

The OEB requires companies to periodically review customers' deposits and where appropriate, refund such deposits. During this review, companies may also request a deposit from customers based on certain criteria.

The Corporation has a policy of funding customers' deposits and paying interest on these deposits at a rate determined quarterly. Securities held as customers' deposits represent the funds segregated to fund the customer deposit refunds. The rate of interest paid by the Corporation for 2024 was 4.95% (2023 - 4.83%).

5. Accounts receivable

	2024	2023
Customer trade receivables	$ 22,378	$ 19,879
Receivables from the City	497	2,763
Receivables from other related parties	33	25
Other	3,891	5,367
	26,799	28,034
Less: provision for expected credit losses	300	225
	$ 26,499	$ 27,809

6. Materials and supplies

The amount written down due to obsolescence in 2024 was $160 (2023 - $2).

(in thousands)

7. Property, plant and equipment

	January 1, 2024	Additions/ Depreciation	Transfers/ Adjustment	Disposals/ Transfers	December 31, 2024
Cost					
Land	$ 1,219	$ —	$ —	$ —	$ 1,219
Buildings	7,564	327	—	—	7,891
Sub-station buildings	1,408	57	—	—	1,465
Sub-station equipment	8,211	1,410	—	—	9,621
Distribution lines – overhead	88,935	10,467	(129)	(12)	99,261
Distribution lines – underground	82,712	9,231	—	—	91,943
Distribution – transformers	32,905	1,834	—	(198)	34,541
Distribution – meters	16,168	1,308	—	(195)	17,281
Rolling stock	2,494	386	—	(246)	2,634
Tools and equipment	450	31	—	—	481
Office equipment	1,237	95	—	—	1,332
Computer equipment	1,275	254	—	—	1,529
Construction-in-progress	1,606	(831)	—	—	775
	246,184	24,569	(129)	(651)	269,973
Accumulated Depreciation					
Buildings	2,884	318	—	—	3,202
Sub-station buildings	634	58	—	—	692
Sub-station equipment	3,026	307	—	—	3,333
Distribution lines – overhead	14,207	2,331	(50)	(4)	16,484
Distribution lines – underground	11,551	1,988	—	—	13,539
Distribution – transformers	7,292	1,023	—	(174)	8,141
Distribution – meters	8,812	1,094	—	(170)	9,736
Rolling stock	549	257	—	(222)	584
Tools and equipment	323	25	—	—	348
Office equipment	726	100	—	—	826
Computer equipment	877	147	—	—	1,024
	50,881	7,648	(50)	(570)	57,909
Carrying amount	$ 195,303	$ 16,921	$ (79)	$ (81)	$ 212,064

(in thousands)

7. Property, plant and equipment (continued)

	January 1, 2023	Additions/ Depreciation	Transfers/ Adjustment	Disposals/ Transfers	December 31, 2023
Cost					
Land	$ 1,219	$ —	$ —	$ —	$ 1,219
Buildings	7,519	45	—	—	7,564
Sub-station buildings	1,401	7	—	—	1,408
Sub-station equipment	7,744	467	—	—	8,211
Distribution lines – overhead	73,766	15,172	—	(3)	88,935
Distribution lines – underground	70,813	11,899	—	—	82,712
Distribution – transformers	31,538	1,488	—	(121)	32,905
Distribution – meters	14,726	1,673	—	(231)	16,168
Rolling stock	2,149	417	—	(72)	2,494
Tools and equipment	425	25	—	—	450
Office equipment	1,197	40	—	—	1,237
Computer equipment	990	288	—	(3)	1,275
Construction-in-progress	1,405	201	—	—	1,606
	214,892	31,722	—	(430)	246,184
Accumulated Depreciation					
Buildings	2,572	312	—	—	2,884
Sub-station buildings	575	59	—	—	634
Sub-station equipment	2,739	287	—	—	3,026
Distribution lines – overhead	12,157	2,052	—	(2)	14,207
Distribution lines – underground	9,779	1,772	—	—	11,551
Distribution – transformers	6,387	983	—	(78)	7,292
Distribution – meters	7,873	1,140	—	(201)	8,812
Rolling stock	387	234	—	(72)	549
Tools and equipment	294	29	—	—	323
Office equipment	629	97	—	—	726
Computer equipment	743	135	—	(1)	877
	44,135	7,100	—	(354)	50,881
Carrying amount	$ 170,757	$ 24,622	$ —	$ (76)	$ 195,303

No interest was capitalized to property, plant and equipment during the year.

Assets, excluding construction-in-progress, with a carrying amount of $211,289 (2023 - $193,697) are subject to a general security agreement.

(in thousands)

8. Intangible assets

	January 1, 2024	Additions/ Depreciation	Disposals/ Transfers	December 31, 2024
Cost				
Land rights	$ 216	$ —	$ —	$ 216
Computer software	10,806	1,034	(537)	11,303
Transformer station right	6,599	—	—	6,599
	17,621	1,034	(537)	18,118
Accumulated Depreciation				
Land rights	32	5	—	37
Computer software	6,700	877	(474)	7,103
Transformer station right	901	110		1,011
	7,633	992	(474)	8,151
Carrying Amount	$ 9,988	$ 42	$ (63)	$ 9,967

	January 1, 2023	Additions/ Depreciation	Disposals/ Transfers	December 31, 2023
Cost				
Land rights	$ 216	$ —	$ —	$ 216
Computer software	10,163	643	—	10,806
Transformer station right	6,599	—	—	6,599
	16,978	643	—	17,621
Accumulated Depreciation				
Land rights	28	4	—	32
Computer software	5,897	803	—	6,700
Transformer station right	791	110	—	901
	6,716	917	—	7,633
Carrying Amount	$ 10,262	$ (274)	$ —	$ 9,988

(in thousands)

9. Right-of-use assets

	Vehicles	Computer Hardware	Subtotal	Computer Software	Total
Right-of-use assets					
Cost					
Balance at January 1, 2024	$ 671	$ —	$ 671	$ 399	$ 1,070
Additions	35	—	35	—	35
Disposals/retirements	(31)	—	(31)	—	(31)
Balance at December 31, 2024	675	—	675	399	1,074
Accumulated depreciation					
Balance at January 1, 2024	445	—	445	399	844
Additions	73	—	73	—	73
Disposals/retirements	(31)	—	(31)	—	(31)
Balance at December 31, 2024	487	—	487	399	886
Carrying Amount at December 31, 2024	$ 188	$ —	$ 188	$ —	$ 188

	Vehicles	Computer Hardware	Subtotal	Computer Software	Total
Right-of-use assets					
Cost					
Balance at January 1, 2023	$ 674	$ 85	$ 759	$ 425	$ 1,184
Additions	42	—	42	—	42
Disposals/retirements	(45)	(85)	(130)	(26)	(156)
Balance at December 31, 2023	671	—	671	399	1,070
Accumulated depreciation					
Balance at January 1, 2023	406	58	464	417	881
Additions	77	27	104	8	112
Disposals/retirements	(38)	(85)	(123)	(26)	(149)
Balance at December 31, 2023	445	—	445	399	844
Carrying Amount at December 31, 2023	$ 226	$ —	$ 226	$ —	$ 226

(in thousands)

10. Lease liability

	Vehicles	Computer Hardware	Subtotal	Computer Software	Total
Lease Liability					
Balance at January 1, 2024	$ 77	$ —	$ 77	$ —	$ 77
Additions	35	—	35	—	35
Disposals/removal of lease	—	—	—	—	—
Repayment	(39)	—	(39)	—	(39)
Balance at December 31, 2024	$ 73	$ —	$ 73	$ —	$ 73
Lease Liability					
Balance at January 1, 2023	$ 81	$ 24	$ 105	$ 7	$ 112
Additions	42	—	42	—	42
Disposals/removal of lease	(8)	—	(8)	—	(8)
Repayment	(38)	(24)	(62)	(7)	(69)
Balance at December 31, 2023	$ 77	$ —	$ 77	$ —	$ 77

At December 31, 2024, the net carrying amount of the lease liabilities related to the leased assets was $73 (2023 - $77).

Total cash outflows with respect to leasing arrangements during the year was $44 (2023 - $73) consisting of principal and interest of $39 and $5, respectively (2023 - $69, $4).

Certain leases held by the Corporation provide the Corporation with extension options and termination options that may impact the term of the Lease which can impact the lease liabilities recognized in the statement of financial position. The Corporation has determined the lease term for all contracts based on all available information as at the reporting date.

Lease liabilities are due as follows:

	Less than one year	Between one and five years	Total
Future minimum lease payments			
December 31, 2024	$ 37	$ 43	$ 80
December 31, 2023	39	46	85
Interest			
December 31, 2024	4	3	7
December 31, 2023	4	4	8
Present value of minimum lease payments			
December 31, 2024	33	40	73
December 31, 2023	35	42	77

(in thousands)

11. Income tax expense

Current tax expense

		2024		2023
Current period	$	571	$	59
Prior period adjustments		(26)		(71)
	$	545	$	(12)

Deferred tax expense

		2024		2023
Origination and reversal of temporary differences	$	1,271	$	1,653
Tax adjustment included in other comprehensive income		(158)		(52)
	$	1,113	$	1,601

Reconciliation of effective tax rate

		2024		2023
Income before taxes	$	9,246	$	4,009
Canada and Ontario statutory income tax rates		26.5 %		26.5 %
Expected tax provision on income at statutory rates		2,450		1,063
Increase (decrease) in income taxes resulting from:				
Permanent differences		12		14
Under provided in prior periods		(21)		(158)
Regulatory		(595)		734
Other adjustments		(30)		(12)
Income tax expense	$	1,816	$	1,641

Significant components of the Corporation’s deferred tax balances

		2024		2023
Deferred tax assets (liabilities):				
Property, plant and equipment	$	(25,995)	$	(22,482)
Intangible assets		(1,523)		(1,469)
Post-employment benefits		1,093		952
Regulatory deferral account balances		(2,112)		(2,707)
Deferred revenue		18,442		15,654
Non-capital losses		—		1,230
Other		1,193		1,033
	$	(8,902)	$	(7,789)

(in thousands)

11. Income tax expense (continued)

In prior years, the Ministry of Finance reassessed the Company's 2016, 2017, 2018 and 2019 taxation years, denying the current deduction of certain expenditures. The Company has objected to the Minister's position on the basis that the adjustments are not supported by legislation or jurisprudence, and are without merit. Should the Minister's position ultimately prevail, there would be an increase in current taxation expense and a decrease in deferred taxation expense. The net impact to tax expense in the financial statements would therefore be nil, except for any interest associated with the current tax assessments, as the adjustments are related to the timing of when deductions are permitted. The interest expense associated with the current tax assessments would not be material to the financial statements.

12. Regulatory balances

Reconciliation of the carrying amount for each class of regulatory balances

Regulatory deferral account debit balances	January 1, 2024	Additions	Recovery /reversal	December 31, 2024	Remaining recovery/ reversal years
Group 1 deferral accounts	$ 8,459	$ 206,146	$ (206,589)	$ 8,016	2
Regulatory settlement account	10,347	202	6,493	17,042	4
Other regulatory accounts	1,657	527	98	2,282	2
Income tax	6,290	1,476	—	7,766	—
	$ 26,753	$ 208,351	$ (199,998)	$ 35,106	

Regulatory deferral account debit balances	January 1, 2023	Additions	Recovery /reversal	December 31, 2023	Remaining recovery/ reversal years
Group 1 deferral accounts	$ 9,810	$ 37,080	$ (38,431)	$ 8,459	2
Regulatory settlement account	9,652	78	617	10,347	5
Other regulatory accounts	1,749	124	(216)	1,657	3
Income tax	7,413	(1,123)	—	6,290	—
	$ 28,624	$ 36,159	$ (38,030)	$ 26,753	

Regulatory deferral account credit balances	January 1, 2024	Additions	Recovery /reversal	December 31, 2024	Remaining recovery/ reversal years
Group 1 deferral accounts	$ (312)	$ 412	$ (2,188)	$ (2,088)	2
Regulatory settlement account	(9,493)	(38)	(7,025)	(16,556)	4
Other regulatory accounts	(444)	(198)	(84)	(726)	2
	$ (10,249)	$ 176	$ (9,297)	$ (19,370)	

Regulatory deferral account credit balances	January 1, 2023	Additions	Recovery /reversal	December 31, 2023	Remaining recovery/ reversal years
Group 1 deferral accounts	$ (5,227)	$ 153,276	$ (148,361)	$ (312)	2
Regulatory settlement account	(8,136)	(59)	(1,298)	(9,493)	5
Other regulatory accounts	(406)	(24)	(14)	(444)	3
	$ (13,769)	$ 153,193	$ (149,673)	$ (10,249)	

12. Regulatory balances (continued)

The income tax balances will be recovered over the life of the related capital assets.

The regulatory balances are recovered or settled through rate riders approved by the OEB. The Corporation has received approval from the OEB to establish its deferral and variance accounts (DVAs), where regulatory balances are recorded.

(a) The most significant regulatory activities included in the regulatory balances are retail settlement variances - the difference between electricity market and service costs incurred by the Corporation and the amount billed to consumers by the Corporation at OEB approved rates. Specifically, these amounts include variances between i) the amounts charged by the IESO and Hydro One for the market price of electricity, the operation of the electricity markets and grid, as well as various wholesale market settlement charges and transmission charges, and ii) the amount Burlington Hydro bills to consumers based on OEB-approved rates. These differences are recorded in Group 1 DVAs, which the Corporation seeks authorization to settle as part of its annual rate applications to the OEB. Settlement is typically through volumetric rate riders. Since future consumption volumes are impacted by exogenous factors (e.g. weather, economic conditions) the amount actually disposed of through the operation of the authorized rate rider varies from the balance authorized for disposition. Any differences between actual disposition and approved balances are settled in a subsequent rate application.

In Burlington Hydro's incentive rate-setting mechanism (IRM) application for rates effective January 1, 2025, the OEB approved its request for disposition of its 2023 Group 1 DVA balances and the 2022 balances of Accounts 1588-RSVA Power and 1589-RSVA Global Adjustment, which were not disposed of in 2023. The total approved disposition of $2,180 will be recovered over a one-year period from January 1, 2025 to December 31, 2025.

(b) The remaining regulatory activities included in the regulatory balances are Group 2 DVAs for which Burlington Hydro can only seek authorization to settle as part of a Cost of Service rate application, which typically occurs every five years. Burlington Hydro's next Cost of Service application is scheduled to be in 2026.

The OEB requires the Corporation to estimate its income taxes when it files a COS application to set its rates. As a result, the Corporation has recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be recovered from/paid back to its customers. This balance will fluctuate as the Corporation's deferred tax balance fluctuates.

Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers' Acceptances three-month rate plus a spread of 25 basis points. In 2024, the average rate was 5.15% (2023 - 5.05%).

(in thousands)

13. Accounts payable, accrued and other liabilities

	2024	2023
IESO – energy purchases	$ 20,298	$ 18,267
Regional Municipality of Halton	6,074	5,843
Trade payables	6,203	7,837
Accrued and other liabilities	5,080	5,150
Payable to related parties	78	48
	$ 37,733	$ 37,145

14. Long-term debt

	2024	2023
City notes payable	$ 47,879	$ 47,879
Ontario Infrastructure loan and note	10,969	12,538
TD term loan	3,269	3,746
	62,117	64,163
Current portion	2,124	2,046
Non-current portion	$ 59,993	$ 62,117

The interest rate on the City note payable is 2.85%. This note payable is due on demand to the City. The City has waived its right to demand payment until January 1, 2026.

The Corporation obtained an Ontario Infrastructure Projects Corporation (“OIPC”) Debenture of $10,000 on March 15, 2011 due March 15, 2026. The loan bears interest at a rate of 4.51%. The loan is payable in the amount of $77 monthly principal and interest.

On March 1, 2013, the Corporation obtained a loan from the OIPC in the form of a Promissory Note of $8,000 due March 1, 2038. The Note bears interest at a rate of 4.02%. The Note is payable in the amount of $42 monthly principal and interest.

On December 17, 2018, the Corporation obtained a loan from the OIPC in the form of a Promissory Note of $7,000 due December 17, 2033. The note bears interest at a rate of 3.63%. The note is payable in the amount of $50 monthly principal and interest.

The OIPC facilities are secured by a general security agreement over the assets of the Corporation.

(in thousands)

14. Long-term debt (continued)

On March 31, 2021, the Corporation obtained a $5,000 fixed rate term loan from the TD Bank due March 31, 2031. The term loan bears interest at a rate of 2.47%. The loan is secured by a General Security Agreement over the assets of the Corporation.

Scheduled repayments of long-term debt for the years ended December 31 are as follows:

2025	$	2,124
2026		49,386
2027		1,322
2028		1,366
2029		1,411
Thereafter		6,508
	$	62,117

15. Deferred revenue

Deferred revenue relates to the capital contributions received from customers and others. The amount of deferred revenue received from customers and others is $69,594 (2023 - $60,405). Deferred revenue is recognized as revenue on a straight-line basis over the life of asset for which the contribution was received.

16. Liability for employee future benefits

(a) OMERS pension plan

As at December 31, 2024, the OMERS plan was 98% funded (2023 - 97%). OMERS has a strategy to return the plan to a fully funded position. The Corporation is not able to assess the implications, if any, of this strategy or of the withdrawal of other participating entities from the OMERS plan on its future contributions. In 2024, the Corporation made employer contributions of $1,021 to OMERS (2023 - $1,202), of which $254 (2023 - $237) has been capitalized as part of PP&E and the remaining amount of $767 (2023 - $965) has been recognized in profit or loss. The Corporation estimates that a contribution of $1,379 to OMERS will be made in 2025.

(b) Post-employment benefits other than pension

The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and re-measurements recognized for post-employment benefit plans.

(in thousands)

16. Liability for employee future benefits (continued)

(b) Post-employment benefits other than pension (continued)

Reconciliation of the Obligation		2024		2023
Defined benefit obligation, beginning of year	$	3,591	$	3,415
Included in profit or loss				
Current service cost		135		137
Interest cost		158		165
		3,884		3,717
Included in OCI				
Actuarial (gains) / losses arising from:				
Changes in financial assumptions		526		197
Experience adjustments		72		—
Benefits paid		(359)		(323)
Defined benefit obligation, end of year	$	4,123	$	3,591

Actuarial Assumptions	2024	2023
Discount (interest) rate	4.60 %	4.60 %
Salary levels	3.50 %	3.50 %
Medical costs	5.10 %	4.90 %
Dental costs	5.40 %	5.10 %

A 1% increase in the assumed discount rate would result in the defined benefit obligation decreasing by $407. A 1% decrease in the assumed discount rate would result in the defined benefits obligation increasing by $496.

17. Share capital

		2024		2023
Authorized:				
Unlimited number of common shares				
Issued:				
2,000 common shares	$	45,139	$	45,139

Dividends

The holders of the common shares are entitled to receive dividends as declared from time to time.

The Corporation paid dividends in the year on common shares of $1.03 per share (2023 - $1.51) which amount to total dividends paid in the year of $2,075 (2023 - $3,026).

(in thousands)

18. Revenue

The Corporation generates revenue primarily from the sale and distribution of electricity to its customers.

		2024		2023
Revenue from contracts with customers	$	249,155	$	225,416
Other revenue				
Collection charges		22		21
Late payment charges		175		215
Other		1,807		2,357
Loss on disposal of property, plant and equipment		(96)		(65)
Total revenue	$	251,063	$	227,944

In the following table, revenue from contracts with customers is disaggregated by type of customer.

		2024		2023
Large users	$	119,654	$	108,214
Residential		99,207		89,228
Commercial		29,312		27,078
Street lights		982		896
	$	249,155	$	225,416

19. Operating expenses

		2024		2023
Salaries and wages	$	12,132	$	12,062
Depreciation and amortization		8,713		8,129
Benefits		3,896		3,250
Contracted services/labour		3,710		3,615
Equipment/building maintenance		1,712		1,868
Material		695		773
Other		2,883		2,451
	$	33,741	$	32,148

(in thousands)

20. Finance income and costs

		2024		2023
Finance income				
Interest income - bank deposits	$	479	$	431
Finance costs				
Interest expense - long-term debt		1,913		1,988
Interest expense - operating		72		72
Interest expense - PILs reassessments		—		70
Interest expense - expansion deposits		159		—
Interest expense - lease liabilities		5		5
	$	2,149	$	2,135
Net finance costs recognized in profit or loss	$	1,670	$	1,704

21. Commitments and contingencies

General

From time to time, the Corporation is involved in various litigation matters arising in the ordinary course of its business. The Corporation has no reason to believe that the disposition of any such current matter could reasonably be expected to have a materially adverse impact on the Corporation's financial position, results of operations or its ability to carry on any of its business activities.

General liability insurance

The Corporation maintains appropriate types and levels of insurance with major insurers. With respect to liability insurance, the Corporation is a member of the Municipal Electricity Association Reciprocal Insurance Exchange ("MEARIE"). A reciprocal insurance exchange may be defined as a group of persons formed for the purpose of exchanging reciprocal contracts of indemnity or inter-insurance with each other. MEARIE is licensed to provide general liability insurance to its members. All members of the pool could potentially be subjected to an assessment for losses experienced by the pool for the years in which they were members on a pro-rata basis on the total of their respective service revenues. It is anticipated that should such an assessment occur it would be funded over a period of up to 5 years. As at December 31, 2024, no such assessments have been made.

(in thousands)

22. Related party transactions

(a) Parent and ultimate controlling party

The sole shareholder of the Corporation is Burlington Enterprises Corporation, which in turn is wholly owned by the City. The City produces consolidated financial statements that are available for public use.

(b) Outstanding balances with related parties

	2024	2023
Note payable to the City	$ 47,879	$ 47,879
Receivables from the City	497	2,763

(c) Transactions with ultimate parent (the City)

The Corporation had the following significant transactions with its ultimate parent, a government entity:

During the year, the Corporation earned gross revenue of $3,958 (2023 - $3,561) from the City. Of this amount, $503 (2023 - $471) was net distribution revenue.

Accounts receivable from the City include $– (2023 - $1,047) related to major construction projects.

Amounts payable to and receivable from related parties, included in accounts payable and accounts receivable, are due within thirty days of receipt of invoice.

The Corporation delivers electricity to the City throughout the year for the electricity needs of the City and its related organizations. Electricity delivery charges are at prices and under terms approved by the OEB.

(d) Transactions with entities under common control

The Corporation received $782 (2023 - $465) for billing and administrative services from a company under common control.

The Corporation received $105 (2023 - $101) for an operating lease from companies under common control.

The Corporation received $21 (2023 - $81) for general and administrative services from companies under common control.

The Corporation purchased services from a company under common control in the amount of $102 (2021 - $102) during the year.

The Corporation received $— (2023 - $38) for control room services from a company under common control.

(in thousands)

22. Related party transactions (continued)

(e) Key management personnel

The key management personnel of the Corporation and the Board of Directors were compensated as follows:

		2024		2023
Salaries and other compensation	$	1,639	$	1,532
Short term employee benefits		303		295
Directors' fees		146		118
	$	2,088	$	1,945

23. Financial instruments and risk management

Fair value disclosure

The carrying values of cash, securities held as customer deposits, accounts receivable, unbilled revenue and accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits and work order deposits approximate fair value because the amounts are payable on demand.

The fair value of the long-term debt at December 31, 2024 is $61,858. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date with the exception of the note payable to the City. The City note fair value is equal to its' carrying value, because it is effectively due on demand (or within a year). The interest rates used to calculate fair value at December 31, 2024 for the remaining debt ranged from 2.47% to 4.51% based upon the outstanding term of the loans.

Financial risks

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as related mitigation strategies are discussed below.

(a) Credit risk

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the City of Burlington. One customer accounts for a balance, which is all current, in excess of 2% of total accounts receivable.

The carrying amount of accounts receivable is reduced through the use of a provision for expected credit losses and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the provision for expected credit losses at December 31, 2024 is $300 (2023 - $225). An impairment loss of $280 (2023 - $115) was recognized during the year.

23. Financial instruments and risk management (continued)

(a) Credit risk (continued)

The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. The extension of the OEB's winter disconnection ban negatively impacted the Corporation's ability to exercise the full extent of its collection tools to manage the credit risk. The Corporation has estimated the expected credit losses using its historical loss rates and recent trends for customer collections along with current and forecasted economic conditions and data.

To support residential and small business customers struggling to pay their energy bills, the Government of Ontario provided funding for the COVID-19 Energy Assistance Program ("CEAP"). The Corporation was allocated a portion of this funding and actively participated in the program.

At December 31, 2024, $529 (2023 - $462) is considered 60 days past due. The Corporation has over 69,600 customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB. As at December 31, 2024, the Corporation holds security deposits in the amount of $2,262 (2023 - $2,648).

(b) Market risk

Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long-term Government of Canada bond yields. This rate of return is approved by the OEB as part of the approval of distribution rates.

(c) Liquidity risk

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Corporation has access to a $20,000 credit facility and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due. As at December 31, 2024, no amounts had been drawn under the Corporation's credit facility.

The Corporation also has a bilateral facility for $18,000 (the "LC" facility) for the purpose of issuing a letter of credit to support the prudential requirements of the IESO, of which $nil has been drawn and posted with the IESO (2023 - $nil).

The majority of accounts payable, as reported on the statement of financial position, are due within 30 days.

23. Financial instruments and risk management (continued)

(d) Capital disclosures

The main objectives of the Corporation, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

The Corporation's definition of capital includes shareholder's equity and long-term debt. As at December 31, 2024, shareholder's equity amounts to $98,834 (2023 - $94,686) and long-term debt amounts to $62,117 (2023 - $64,163).

24. Comparative Information

Certain 2023 comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

BURLINGTON HYDRO INC.
[redacted]
Taxation Year: December 31, 2024

Election under Subsection 1101(5b.1) of the Income Tax Regulations

The above taxpayer elects under subsection 1101(5b.1) to include in a separate class the cost of building additions in accordance with Regulation 1100(1)(a.2) for a property of the taxpayer that is a building, at least 90 per cent of the floor space of which is used at the end of the taxation year for a non-residential use in Canada.

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Protected B when completed

Specified Pre-regime Loss Election under Subsection 18.2(1)

- Use this form to elect to treat a non-capital loss as a **specified pre-regime loss**. You can make this election if you are a **taxpayer** as defined under subsection 18.2(1), if the non-capital loss is from a loss year that ends before February 4, 2022 and the loss was deducted in computing taxable income for the tax year.
- The election must be filed on or before the filing due date of the taxpayer for the tax year.
- Unless otherwise stated, all legislative references are to the Income Tax Act.
- To file electronically, go to canada.ca/cra-special-elections-and-returns
  Or mail the completed election form, to the tax centre of the filer, separately from any other return.
- Find your tax centre's address by going to canada.ca/cra-offices.

Part 1 – Identification

002 Name of taxpayer Burlington Hydro Inc.	001 Account number (Trust or Business number) [redacted]		Tax Year
Address 1340 Brant Street	City Burlington	Province or territory Ontario	011 Start Year Month Day 2024 01 01
Postal code L7R 3Z7	022 Telephone number 905-332-1851	023 Extension	012 End Year Month Day 2024 12 31

Part 2 – Information required

(I) Adjusted taxable income [1] for the tax year . . . . 200 ______

(II) Complete the following table to:

- Identify each non-capital loss that the taxpayer is electing to treat as a specified pre-regime loss in the current tax year (CTY)
- Indicate the amount deducted in respect of each loss in the current tax year and in each preceding tax year

If you need more space, attach additional sheets.

	Year of origin	Amount of Non-Capital Loss	Amount deducted in respect of the non-capital loss under paragraph 111(1)(a) in:							
			CTY	CTY – 1	CTY – 2	CTY – 3	CTY – 4	CTY – 5	CTY – 6	CTY – 7
		201	202	203	204	205	206	207	208	209
1	2005									
2	2006									
3	2007									
4	2008									
5	2009									
6	2010									
7	2011									
8	2012									
9	2013									
10	2014									
11	2015									
12	2016									
13	2017									
14	2018									
15	2019									
16	2020	6,245,168	4,047,550	1,037,865	1,159,753					
17	2021	67,651	67,651							
18	2022									

Note 1: Adjusted taxable income is defined in subsection 18.2(1).

Part 2 – Information required (continued)

	Year of origin	Amount deducted in respect of the non-capital loss under paragraph 111(1)(a) in:								
		CTY – 8 210	CTY – 9 211	CTY – 10 212	CTY – 11 213	CTY – 12 214	CTY – 13 215	CTY – 14 216	CTY – 15 217	CTY – 16 218
1	2005									
2	2006									
3	2007									
4	2008									
5	2009									
6	2010									
7	2011									
8	2012									
9	2013									
10	2014									
11	2015									
12	2016									
13	2017									
14	2018									
15	2019									
16	2020									
17	2021									
18	2022									

	Year of origin	Amount deducted in respect of the non-capital loss under paragraph 111(1)(a) in:						
		CTY – 17 219	CTY – 18 220	CTY – 19 221	CTY – 20 222	CTY – 21 223	CTY – 22 224	CTY – 23 225
1	2005							
2	2006							
3	2007							
4	2008							
5	2009							
6	2010							
7	2011							
8	2012							
9	2013							
10	2014							
11	2015							
12	2016							
13	2017							
14	2018							
15	2019							
16	2020							
17	2021							
18	2022							

Part 3 – Certification

I, **360** Sally Blackwell certify that the information given on this form and in any attached document is correct and complete.
Name of authorized officer

363 2025/06/30 — Date (YYYY/MM/DD)

362 [signature] — Signature of authorized officer

361 Vice President and CFO — Position or office

Privacy notice

Personal information is collected and used to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be disclosed to other federal, provincial, territorial, aboriginal or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, and 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 015 on Info Source at **canada.ca/cra-info-source**.

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SCHEDULE 100

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

Balance sheet information

Account	Description	GIFI		Current year	Prior year
	Assets				
	Total current assets	1599	+	60,210,333	62,205,241
	Total tangible capital assets	2008	+	212,252,139	195,529,209
	Total accumulated amortization of tangible capital assets	2009	–		
	Total intangible capital assets	2178	+	9,967,001	9,988,110
	Total accumulated amortization of intangible capital assets	2179	–		
	Total long-term assets	2589	+	35,105,532	26,753,259
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	317,535,005	294,475,819
	Liabilities				
	Total current liabilities	3139	+	56,681,008	55,596,336
	Total long-term liabilities	3450	+	162,020,680	144,193,482
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	218,701,688	199,789,818
	Shareholder equity				
	Total shareholder equity (mandatory field)	3620	+	98,833,317	94,686,001
	Total liabilities and shareholder equity	3640	=	317,535,005	294,475,819
	Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849	=	52,804,704	48,217,984

* Generic item

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SCHEDULE 125

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

Income statement information

Description	GIFI	
Operating name	0001	.
Description of the operation	0002	
Sequence number	0003	01

Account	Description	GIFI		Current year	Prior year
	Income statement information				
	Total sales of goods and services	8089	+	246,564,853	223,173,494
	Cost of sales	8518	–	206,406,402	190,083,327
	Gross profit/loss	8519	=	40,158,451	33,090,167
	Cost of sales	8518	+	206,406,402	190,083,327
	Total operating expenses	9367	+	35,793,438	34,209,379
	Total expenses (mandatory field)	9368	=	242,199,840	224,292,706
	Total revenue (mandatory field)	8299	+	251,445,719	228,302,027
	Total expenses (mandatory field)	9368	–	242,199,840	224,292,706
	Net non-farming income	9369	=	9,245,879	4,009,321
	Farming income statement information				
	Total farm revenue (mandatory field)	9659	+		
	Total farm expenses (mandatory field)	9898	–		
	Net farm income	9899	=		
	Net income/loss before taxes and extraordinary items	9970	=	9,245,879	4,009,321
	Total – other comprehensive income	9998	=	-439,404	-144,866
	Extraordinary items and income (linked to Schedule 140)				
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		
	Unusual items	9985	–	768,002	-1,648,157
	Current income taxes	9990	–	544,647	-12,228
	Future (deferred) income tax provision	9995	–	1,271,103	1,653,691
	Total – Other comprehensive income	9998	+	-439,404	-144,866
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	6,222,723	3,871,149

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Schedule 141

General Index of Financial Information (GIFI) – Additional Information

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- Corporations need to complete all parts of this schedule that apply and include it with their T2 return along with their other GIFI schedules.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI), and Guide T4012, T2 Corporation – Income Tax Guide.

Part 1 – Information on the person primarily involved with the financial information

Can you identify the person* specified in the heading of Part 1? . . . **111** Yes [X] No [ ]

If you answered **no**, go to Part 2.

Does that person have a professional designation in accounting? . . . **095** Yes [X] No [ ]

Is that person connected** with the corporation? . . . **097** Yes [ ] No [X]

* A person primarily involved with the financial information is a person who has more than a 50% involvement in preparing the financial information that the T2 return is based on. For example, if three persons prepared the financial information by doing respectively 30%, 30%, and 40% of the work, answer **no** at line 111. If they did respectively 10%, 20%, and 70% of the work, answer **yes** at line 111 and complete Part 1 by referring only to the third person.

** 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

Choose one or more of the following options that represent your involvement and that of the person referred to in Part 1:

Completed an auditor's report . . . **300** [X]

Completed a review engagement report . . . **301** [ ]

Conducted a compilation engagement . . . **302** [ ]

Provided accounting services . . . **303** [ ]

Provided bookkeeping services . . . **304** [ ]

Other (please specify) . . . **305** Tax return preparation services

Part 3 – Reservations

If you selected option **1** (300) or **2** (301) in Part 2 above, answer the following question:

Has the person referred to in Part 1 expressed a reservation? . . . **099** Yes [ ] No [X]

Part 4 – Other information

Were notes to the financial statements prepared? . . . **101** Yes [X] No [ ]

Did the corporation have any subsequent events? . . . **104** Yes [ ] No [X]

Did the corporation re-evaluate its assets during the tax year? . . . **105** Yes [ ] No [X]

Did the corporation have any contingent liabilities during the tax year? . . . **106** Yes [X] No [ ]

Did the corporation have any commitments during the tax year? . . . **107** Yes [X] No [ ]

Does the corporation have investments in joint venture(s) or partnership(s)? . . . **108** Yes [ ] No [X]

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	210		211	
Intangible assets	215		216	
Investment property	220			
Biological assets	225			
Financial instruments	230		231	
Other	235		236	

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)? . . . . . 250 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.

Part 5 – Information on the person who prepared the T2 return

If the person who prepared the T2 return has a professional designation in accounting but is not the person identified in Part 1, choose all of the following options that apply:

Prepared the T2 return and the financial information contained therein . . . . . 310 ☐

The client provided the financial statements . . . . . 311 ☒

The client provided a trial balance . . . . . 312 ☒

The client provided a general ledger . . . . . 313 ☐

Other (please specify) 314

General Index of Financial Information

Notes to the financial statements

BURLINGTON HYDRO INC.
[redacted]
Taxation Year: December 31, 2024
Election under Subsection 13(7.4) to reduce the capital cost of depreciable property where inducement received.
The above taxpayer hereby elects to have subsection 13(7.4) apply to reduce the capital cost of the depreciable property listed below with respect of assistance received in the 2024 taxation year.
Capital Property: Distribution Assets, Class 47 Cost $23,399,707
Capital contributions: $10,718,791
****
BURLINGTON HYDRO INC.
[redacted]
Taxation Year: December 31, 2024
Election under Subsection 1101(5b.1) of the Income Tax Regulations
The above taxpayer elects under subsection 1101(5b.1) to include in a separate class the cost of building additions in accordance with Regulation 1100(1)(a.2) for a property of the taxpayer that is a building, at least 90 per cent of the floor space of which is used at the end of the taxation year for a non-residential use in Canada.

******
BURLINGTON HYDRO INC.
Notes to Financial Statements
Year ended December 31, 2024
(in thousands)
1. Reporting entity
Burlington Hydro Inc. is a rate regulated, municipally owned hydro distribution company
incorporated under the laws of Ontario, Canada. The Corporation is located in the City of
Burlington ("City"). The address of the Corporation's registered office is 1340 Brant Street,
Burlington, Ontario, L7R 3Z7.
The Corporation delivers electricity and related energy services to residential and commercial
customers in the City of Burlington. The Corporation is wholly owned by Burlington Enterprises
Corporation ("BEC") and the ultimate parent company is the City.
The financial statements are for the Corporation as at and for the year ended December 31, 2024.
2. Basis of presentation
(a) Statement of compliance
The Corporation's financial statements have been prepared in accordance with International
Financial Reporting Standards ("IFRS").
The financial statements were approved by the Board of Directors on March 27, 2025.
(b) Basis of measurement
These financial statements have been prepared on the historical cost basis, unless otherwise
stated.
(c) Functional and presentation currency
These financial statements are presented in Canadian dollars, which is the Corporation's
functional currency. All financial information presented in Canadian dollars

Corporation's name	Business number	Tax year end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

General Index of Financial Information

Notes to the financial statements

has been rounded
to the nearest dollar.
(d) Rate regulation
The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority
granted by the Ontario Energy Board Act, 1998. Among other things, the OEB has the power
and responsibility to approve or set rates for the transmission and distribution of electricity,
providing continued rate protection for electricity consumers in Ontario, and ensuring that
transmission and distribution companies fulfill obligations to connect and service customers.
The OEB may also prescribe license requirements and conditions of service to local
distribution companies ("LDCs"), such as the Corporation, which may include, among other
things, record keeping, regulatory accounting principles, separation of accounts for distinct
businesses, and filing and process requirements for rate setting purposes.
BURLINGTON HYDRO INC.
Notes to Financial Statements
Year ended December 31, 2024
(in thousands)
6
2. Basis of presentation (continued)
(d) Rate regulation (continued)
Rate setting
Distribution revenue
For distribution revenue, the Corporation files a "Cost of Service" ("COS") rate application with
the OEB every five years where rates are determined through a review of the forecasted
annual amount of operating and capital expenditures, debt and shareholder's equity required
to support the Corporation's business. The Corporation estimates electricity usage and the
costs to service each customer class to determine the appropriate rates to be charged to each
customer class. The COS application is reviewed by the OEB and interveners, and rates are
approved based upon this review, including any revisions resulting from that review.
In the intervening years an Incentive Rate Mechanism application ("IRM") is filed. An IRM
application results in a formulaic adjustment to distribution rates that were set under the last
COS application. The previous year's rates are adjusted for OEB Inflation (equal to the
weighted annual change in the Gross Domestic Product Implicit Price Index for Final Domestic
Demand (70%) and the Industrial Aggregate for Average Weekly Earnings (30%)), net of a
productivity factor and a "stretch factor" determined by the efficiency of an electricity
distributor.

Corporation's name	Business number	Tax year end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

General Index of Financial Information

Notes to the financial statements

As a licensed distributor, the Corporation is responsible for billing customers for electricity
generated by third parties and the related costs of providing electricity service, such as
transmission services and other services provided by third parties. The Corporation is
required, pursuant to regulation, to remit such amounts to these third parties, irrespective of
whether the Corporation ultimately collects these amounts from customers.
The Corporation filed an IRM application on August 17, 2023 for rates effective January 1,
2024. In 2024, the Corporation's cohort ranking with the OEB remained in Group 2 which
provides a stretch factor of 0.15%. This resulted in a net adjustment to rates on January 1,
2024 of 4.65% comprised of the OEB inflation for 2024 of 4.80%, less the Corporation's
productivity factor of 0.0% and the stretch factor of 0.15%.
BURLINGTON HYDRO INC.
Notes to Financial Statements
Year ended December 31, 2024
(in thousands)
7
2. Basis of presentation (continued)
(d) Rate regulation (continued)
Electricity rates - Commodity
The OEB sets electricity prices for certain low-volume consumers once each year based on an
estimate of how much it will cost to supply the province with electricity for the next year. All
remaining consumers pay the market price for electricity or pursuant to their contract with a
retailer. The Corporation is billed for the cost of the electricity that its customers use and
passes this cost on to the customer at cost without a mark-up.
(e) Use of estimates and judgments
(i) Assumptions and estimation uncertainty
The preparation of financial statements in conformity with IFRS requires management to
make judgments, estimates and assumptions that affect the application of accounting
policies and the reported amounts of assets, liabilities, income and expenses and
disclosure of contingent assets and liabilities. Actual results may differ from those
estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to
accounting estimates are recognized in the year in which the estimates are revised and in
any future years affected.
(ii) Judgments
Information about judgments made in applying accounting policies that have the most
significant effects on the amounts recognized in the financial statements is included in the

General Index of Financial Information

Notes to the financial statements

following note:
(i) Note 3(b) - determination of the performance obligation for contributions from
customers and the related amortization period
(ii) Note 3(i), 12 - recognition of regulatory balances
(iii) Note 3(k) - leases: whether an arrangement contains a lease
(iv) Note 3(k) - leases: lease term, underlying leased asset value
BURLINGTON HYDRO INC.
Notes to Financial Statements
Year ended December 31, 2024
(in thousands)
8
3. Significant accounting policies
The accounting policies set out below have been applied consistently in all years presented in
these financial statements.
(a) Financial instruments
All financial assets and all financial liabilities are recognized initially at fair value plus any
directly attributable transaction costs. Subsequently, they are measured at amortized cost
using the effective interest method less any impairment of the financial assets as described in
note 3(f). The Corporation does not enter into derivative instruments.
Hedge accounting has not been used in the preparation of these financial statements.
Cash consists of balances held with financial institutions.
(b) Revenue recognition
Sale and distribution of electricity
The performance obligations for the sale and distribution of electricity are recognized over time
using an output method to measure the satisfaction of the performance obligation. The value
of the electricity services transferred to the customer is determined on the basis of cyclical
meter readings plus estimated customer usage since the last meter reading date to the end of
the year and represents the amount that the Corporation has the right to bill. Revenue
includes the cost of electricity supplied, distribution, and any other regulatory charges. The
related cost of power is recorded on the basis of power used.
For customer billings related to electricity generated by third parties and the related costs of
providing electricity service, such as transmission services and other services provided by
third parties, the Corporation has determined that it is acting as a principal for these electricity
charges and, therefore, has presented electricity revenue on a gross basis.
Capital contributions
Developers are required to contribute towards the capital cost of construction of distribution
assets in order to provide ongoing service. The developer is not a customer and therefore the
contributions are scoped out of IFRS 15 Revenue from Contracts with Customers. Cash

Corporation's name	Business number	Tax year end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

General Index of Financial Information

Notes to the financial statements

contributions, received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain a connection to the distribution system in order to receive ongoing access to electricity.

BURLINGTON HYDRO INC.
Notes to Financial Statements
Year ended December 31, 2024
(in thousands)
9

3. Significant accounting policies (continued)

(b) Revenue recognition (continued)

The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

Other operating revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Amounts received in advance are presented as deferred revenue.

Government grants and the related performance incentive payments under CDM ("Conservation and Demand Management") programs are recognized as revenue in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received.

(c) Materials and supplies

Materials and supplies, the majority of which are consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on a weighted average basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location and condition.

(d) Property, plant and equipment

Items of property, plant and equipment ("PP&E") used in rate-regulated activities and acquired

Corporation's name	Business number	Tax year end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

General Index of Financial Information

Notes to the financial statements

prior to January 1, 2014 are measured at deemed cost established on the transition date less
accumulated depreciation. All other items of PP&E are measured at cost, or, where the item is
contributed by customers, its fair value, less accumulated depreciation.
Cost includes expenditures that are directly attributable to the acquisition of the asset. The
cost of self-constructed assets includes contracted services, materials and transportation
costs, direct labour, overhead costs, borrowing costs and any other costs directly attributable
to bringing the asset to a working condition for its intended use.
Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based
upon the weighted average cost of debt incurred on the Corporation's borrowings. Qualifying
assets are considered to be those that take in excess of 12 months to construct.
When parts of an item of PP&E have different useful lives, they are accounted for as separate
items (major components) of PP&E.
When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is
determined by comparing the proceeds from disposal, if any, with the carrying amount of the
item and is included in profit or loss.
Major spare parts and standby equipment are recognized as items of PP&E.
BURLINGTON HYDRO INC.
Notes to Financial Statements
Year ended December 31, 2024
(in thousands)
10
3. Significant accounting policies (continued)
(d) Property, plant and equipment (continued)
The cost of replacing a part of an item of PP&E is recognized in the net book value of the item
if it is probable that the future economic benefits embodied within the part will flow to the
Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is
written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day
servicing of PP&E are recognized in profit or loss as incurred.
The need to estimate the decommissioning costs at the end of the useful lives of certain
assets is reviewed periodically. The Corporation has concluded it does not have any legal or
constructive obligation to remove PP&E.
Depreciation is calculated to write off the cost of items of PP&E using the straight-line method
over their estimated useful lives, and is generally recognized in profit or loss. Depreciation
methods, useful lives, and residual values are reviewed at each reporting date and adjusted
prospectively if appropriate. Land is not depreciated. Construction-in-progress assets are not

Corporation's name	Business number	Tax year end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

General Index of Financial Information

Notes to the financial statements

depreciated until the project is complete and the asset is available for use.
The estimated useful lives are as follows:
Asset Years
Buildings 10 - 50
Sub-station buildings 50
Sub-station equipment 20 - 40
Distribution lines - overhead 20 - 60
Distribution lines - underground 30 - 60
Distribution - transformers 40
Distribution - meters 15 - 45
Rolling stock 8-20
Tools and equipment 10-15
Office equipment 10
Computer equipment 5
(e) Intangible assets
Intangible assets used in rate-regulated activities and acquired prior to
January 1, 2014 are
measured at deemed cost established on the transition date, less accumulated
amortization.
All intangible assets are measured at cost.
Computer software that is acquired or developed by the Corporation after
January 1, 2014,
including software that is not integral to the functionality of equipment
purchased which has
finite useful lives, is measured at cost less accumulated amortization.
Payments to obtain rights to access land ("land rights") are classified as
intangible assets.
These include payments made for easements, right of access and right of use
over land for
which the Corporation does not hold title. Land rights are measured at cost
less accumulated
amortization.
BURLINGTON HYDRO INC.
Notes to Financial Statements
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(in thousands)
11
3. Significant accounting policies (continued)
(e) Intangible assets (continued)
Amortization is recognized in profit or loss on a straight-line basis over
the estimated useful
lives of intangible assets from the date that they are available for use.
Amortization methods
and useful lives of all intangible assets are reviewed at each reporting date
and adjusted
prospectively if appropriate. The estimated useful lives are:
Asset Years
Computer software 5-10
Land rights 35 - 70
Transformer station rights 60
(f) Impairment
(i) Financial assets measured at amortized cost
A loss provision for expected credit losses on financial assets measured at
amortized cost
is recognized at the reporting date. The loss provision is measured at an
amount equal to

the lifetime expected credit losses for the asset. Interest on the impaired assets continues to be recognized through the unwinding of the discount. Losses are recognized in profit or loss. An impairment loss is reversed through profit or loss if the impairment requirements is no longer met.

(ii) Non-financial assets

The carrying amounts of the Corporation's non-financial assets, other than materials and supplies, and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU").

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(g) Customer deposits

Customer deposits represent cash deposits from electricity distribution customers and retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.

3. Significant accounting policies (continued)

(g) Customer deposits (continued)

Deposits are refundable to customers who demonstrate an acceptable level of credit risk as determined by the Corporation in accordance with policies set out by the OEB or upon termination of their electricity distribution service.

(h) Provisions

A provision is recognized if, as a result of a past event, the Corporation

has a present legal or
constructive obligation that can be estimated reliably, and it is probable that an outflow of
economic benefits will be required to settle the obligation. Provisions are determined by
discounting the expected future cash flows at a pre-tax rate that reflects current market
assessments of the time value of money and the risks specific to the liability.

(i) Regulatory balances

Regulatory debit balances represent costs incurred in excess of amounts billed to the
customer. Regulatory credit balances represent amounts billed to the customer in excess of
costs incurred by the Corporation.

Regulatory debit balances are recognized if it is probable that future billings in an amount at
least equal to the deferred cost will result from inclusion of that cost in allowable costs for ratemaking
purposes. The offsetting amount is recognized in net movement in regulatory
balances in profit or loss or Other Comprehensive Income ("OCI"). When the customer is
billed at rates approved by the OEB for the recovery of the deferred costs, the customer
billings are recognized in revenue. The regulatory debit balance is reduced by the amount of
these customer billings with the offset to net movement in regulatory balances in profit or loss
or OCI.

The probability of recovery of the regulatory debit balances is assessed annually based upon
the likelihood that the OEB will approve rates to recover the balance. The assessment of
likelihood of recovery is based upon previous decisions made by the OEB for similar
circumstances, policies or guidelines issued by the OEB, etc. Any resulting impairment loss is
recognized as a loss in the year incurred.

When the Corporation is required to refund amounts to ratepayers in the future, the
Corporation recognizes a regulatory credit balance. The offsetting amount is recognized in net
movement in regulatory balances in profit or loss or OCI. The amounts returned to the
customers are recognized as a reduction of revenue. The credit balance is reduced by the
amount of these customer repayments with the offset to net movement in regulatory balances
in profit or loss or OCI.

(j) Employee future benefits

(i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario
Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer
pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the

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Fund"), and provides pensions for employees of Ontario municipalities, local
boards and
public utilities.
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3. Significant accounting policies (continued)
(j) Post-employment benefits (continued)
The Fund is a contributory defined benefit pension plan, which is financed by
equal
contributions from participating employers and employees, and by the
investment earnings
of the Fund. To the extent that the Fund finds itself in an under-funded
position, additional
contribution rates may be assessed to participating employers and members.
OMERS is a defined benefit plan. However, as OMERS does not segregate its
pension
asset and liability information by individual employers, there is
insufficient information
available to enable the Corporation to directly account for the plan.
Consequently, the
plan has been accounted for as a defined contribution plan. The Corporation
is not
responsible for any other contractual obligations other than the
contributions. Obligations
for contributions to defined contribution pension plans are recognized as an
employee
benefit expense in profit or loss when they are due.
(ii) Post-employment benefits, other than pension
The Corporation provides some of its retired employees with life insurance
and medical
benefits beyond those provided by government sponsored plans.
The obligations for these post-employment benefit plans are actuarially
determined by
applying the projected unit credit method and reflect management's best
estimate of
certain underlying assumptions. Re-measurements of the net defined benefit
obligations,
including actuarial gains and losses and the return on plan assets (excluding
interest), are
recognized immediately in other comprehensive income. When the benefits of a
plan are
improved, the portion of the increased benefit relating to past service by
employees is
recognized immediately in profit or loss.
(k) Leased assets
At inception of a contract, the Corporation assesses whether the contract is
or contains a
lease. A contract is determined to contain a lease if it provides the
Corporation with the right to
control the use of an identified asset for a period of time in exchange for
consideration.
Contracts determined to contain a lease are accounted for as leases. For
leases and contracts

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that contained a lease, the Corporation recognizes a right-of-use asset and a lease liability at
the lease commencement date. The right-of-use asset is initially measured at cost which
comprises the initial amount of the lease liability adjusted for any lease payments made at or
before the commencement date, plus any initial direct costs incurred and an estimate of costs
to dismantle and remove the underlying asset or to restore the underlying asset or the site on
which it is located, less any lease incentives received.
The right-of-use asset is subsequently depreciated using the straight-line method from the
commencement date to the earlier of the end of the useful life of the right-of-use asset or the
end of the lease term. The estimated useful lives of right-of-use assets are determined on the
same basis as those of property, plant and equipment. Subsequent to initial recognition, the
right-of-use asset is recognized at cost less any accumulated depreciation and any
accumulated impairment losses, adjusted for certain remeasurements of the corresponding
lease liability.
BURLINGTON HYDRO INC.
Notes to Financial Statements
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(in thousands)
14
3. Significant accounting policies (continued)
(k) Leased assets (continued)
The lease liability is initially measured at the present value of lease payments plus the present
value of lease payments that are not paid at the commencement date, discounted using the
interest rate implicit in the lease, or if that rate cannot be readily determined, the Corporation's
incremental borrowing rate.
The lease liability is subsequently measured at amortized cost using the effective interest
method. It is remeasured when there is a change in future lease payments arising from a
change in an index or rate, if there is a change in the Corporation's estimate of the amount
expected to be payable under a residual value guarantee, or if the Corporation changes its
assessment of whether it will exercise a purchase, extension or termination option. When the
lease liability is remeasured in this way, a corresponding adjustment is made to the carrying
amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the
right-of-use asset has been reduced to zero.
The Corporation has elected not to recognize right-of-use assets and lease liabilities for leases
that have a lease term of 12 months or less or for leases of low value

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assets. The Corporation
recognizes the lease payments associated with these leases as an expense on a straight-line
basis over the lease term.

(l) Finance income and finance costs

Finance income is recognized as it accrues in profit or loss, using the effective interest
method. Finance income comprises interest earned on cash balances.

Finance costs comprise interest expense on borrowings, lease liabilities and customer
deposits and are recognized in profit or loss.

(m) Income taxes

The income tax expense comprises current and deferred tax. Income tax expense is
recognized in profit or loss except to the extent that it relates to items recognized directly in
equity, in which case, it is recognized in equity.

The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the
Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the Electricity Act, 1998, the
Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial
Corporation ("OEFC"). These payments are calculated in accordance with the rules for
computing taxable income and taxable capital and other relevant amounts contained in the Tax
Acts as modified by the Electricity Act, 1998, and related regulations. Payments in lieu of taxes
are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss
for the year, using tax rates enacted or substantively enacted at the reporting date, and any
adjustment to tax payable in respect of previous years.

3. Significant accounting policies (continued)

(m) Income taxes (continued)

Deferred tax is recognized in respect of temporary differences between the tax basis of assets
and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are
recognized for unused tax losses, unused tax credits and deductible temporary differences to
the extent that it is probable that future taxable profits will be available against which they can
be used. Deferred tax is measured at the tax rates that are expected to be applied to
temporary differences when they reverse, using tax rates enacted or substantively enacted, at
the reporting date.

4. Securities held as customers deposits

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The OEB requires companies to periodically review customers' deposits and
where appropriate,
refund such deposits. During this review, companies may also request a
deposit from customers
based on certain criteria.
The Corporation has a policy of funding customers' deposits and paying
interest on these deposits
at a rate determined quarterly. Securities held as customers' deposits
represent the funds
segregated to fund the customer deposit refunds. The rate of interest paid by
the Corporation for
2024 was 4.95% (2023 - 4.83%).
5. Accounts receivable
2024 2023
Customer trade receivables $ 22,377 $ 19,879
Receivables from the City 497 2,763
Receivables from other related parties 33 25
Other 3,891 5,367
26,798 28,034
Less: provision for expected credit losses 250 225
$ 26,548 $ 27,809
6. Materials and supplies
The amount written down due to obsolescence in 2024 was $160 (2023 - $2).
BURLINGTON HYDRO INC.
Notes to Financial Statements
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7. Property, plant and equipment
January 1,
2024
Additions/
Depreciation
Transfers/
Adjustment
Disposals/
Transfers
December 31,
2024
Cost
Land $ 1,219 $ - $ - $ - $ 1,219
Buildings 7,564 327 - - 7,891
Sub-station buildings 1,407 57 - - 1,464
Sub-station equipment 8,211 1,410 - - 9,621
Distribution lines - overhead 88,934 10,468 (129) (12) 99,261
Distribution lines - underground 82,713 8,957 - - 91,670
Distribution - transformers 32,905 1,834 - (198) 34,541
Distribution - meters 16,167 1,309 - (195) 17,281
Rolling stock 2,495 386 - (246) 2,635
Tools and equipment 451 31 - - 482
Office equipment 1,238 95 - - 1,333
Computer equipment 1,275 254 - - 1,529
Construction-in-progress 1,606 (831) - - 775
246,185 24,297 (129) (651) 269,702
Accumulated Depreciation
Buildings 2,884 318 - - 3,202

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Sub-station buildings 633 58 - - 691
Sub-station equipment 3,027 307 - - 3,334
Distribution lines - overhead 14,207 2,331 (50) (4) 16,484
Distribution lines - underground 11,551 1,984 - - 13,535
Distribution - transformers 7,292 1,023 - (174) 8,141
Distribution - meters 8,811 1,094 - (170) 9,735
Rolling stock 551 257 - (222) 586
Tools and equipment 323 25 - - 348
Office equipment 726 100 - - 826
Computer equipment 876 147 - - 1,023
50,881 7,644 (50) (570) 57,905
Carrying amount $ 195,304 $ 16,653 $ (79) $ (81) $ 211,797
BURLINGTON HYDRO INC.
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(in thousands)
17
7. Property, plant and equipment (continued)
January 1,
2023
Additions/
Depreciation
Transfers/
Adjustment
Disposals/
Transfers
December 31,
2023
Cost
Land $ 1,219 $ - $ - $ - $ 1,219
Buildings 7,519 45 - - 7,564
Sub-station buildings 1,401 7 - - 1,408
Sub-station equipment 7,744 467 - - 8,211
Distribution lines - overhead 73,766 15,172 - (3) 88,935
Distribution lines - underground 70,813 11,899 - 82,712
Distribution - transformers 31,538 1,488 - (121) 32,905
Distribution - meters 14,726 1,673 - (231) 16,168
Rolling stock 2,149 417 - (72) 2,494
Tools and equipment 425 25 - - 450
Office equipment 1,197 40 - - 1,237
Computer equipment 990 288 - (3) 1,275
Construction-in-progress 1,405 201 - - 1,606
214,892 31,722 - (430) 246,184
Accumulated Depreciation
Buildings 2,572 312 - - 2,884
Sub-station buildings 575 59 - - 634
Sub-station equipment 2,739 287 - - 3,026
Distribution lines - overhead 12,157 2,052 - (2) 14,207
Distribution lines - underground 9,779 1,772 - - 11,551
Distribution - transformers 6,387 983 - (78) 7,292
Distribution - meters 7,873 1,140 - (201) 8,812
Rolling stock 387 234 - (72) 549
Tools and equipment 294 29 - - 323
Office equipment 629 97 - - 726
Computer equipment 743 135 - (1) 877
44,135 7,100 - (354) 50,881

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Carrying amount $ 170,757 $ 24,622 $ - $ (76) $ 195,303
No interest was capitalized to property, plant and equipment during the year.
Assets, excluding construction-in-progress, with a carrying amount of
$211,019 (2023 - $193,697)
are subject to a general security agreement.
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Year ended December 31, 2024
(in thousands)
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8. Intangible assets
January 1,
2024
Additions/
Depreciation
Transfers/
Adjustment
Disposals/
Transfers
December
31, 2024
Cost
Land rights $ 216 $ - $ - $ - $ 216
Computer software 10,805 1,034 - (537) 11,302
Transformer station right 6,599 - - - 6,599
17,620 1,034 - (537) 18,117
Accumulated Depreciation
Land rights 31 5 - - 36
Computer software 6,699 877 - (473) 7,103
Transformer station right 902 110 - 1,012
7,632 992 - (473) 8,151
Carrying Amount $ 9,988 $ 42 $ - $ (64) $ 9,966
January 1,
2023
Additions/
Depreciation
Transfers/
Adjustment
Disposals/
Transfers
December
31, 2023
Cost
Land rights $ 216 $ - $ - $ - $ 216
Computer software 10,163 643 - - 10,806
Transformer station right 6,599 - - - 6,599
16,978 643 - - 17,621
Accumulated Depreciation
Land rights 27 4 - - 31
Computer software 5,897 803 - - 6,700
Transformer station right 792 110 - - 902
6,716 917 - - 7,633
Carrying Amount $ 10,262 $ (274) $ - $ - $ 9,988
BURLINGTON HYDRO INC.
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(in thousands)
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9. Right-of-use assets
Vehicles
Computer
Hardware
Subtotal
Computer
Software
Total
Right-of-use assets
Cost
Balance at January 1, 2024 $ 672 $ - $ 672 $ 400 $ 1,072
Additions 35 - 35 - 35
Disposals/retirements (31) - (31) - (31)
Balance at December 31, 2024 676 - 676 400 1,076
Accumulated depreciation
Balance at January 1, 2024 445 - 445 400 845
Additions 73 - 73 - 73
Disposals/retirements (31) - (31) - (31)
Balance at December 31, 2024 487 - 487 400 887
Carrying Amount at December 31, 2024 $ 189 $ - $ 189 $ - $ 189
Vehicles
Computer
Hardware
Subtotal
Computer
Software
Total
Right-of-use assets
Cost
Balance at January 1, 2023 $ 675 $ 85 $ 759 $ 425 $ 1,185
Additions 42 - 42 - 42
Disposals/retirements (45) (85) (130) (26) (155)
Balance at December 31, 2023 672 - 671 399 1,072
Accumulated depreciation
Balance at January 1, 2023 406 58 464 417 881
Additions 78 27 104 8 113
Disposals/retirements (38) (85) (123) (26) (149)
Balance at December 31, 2023 446 - 445 399 845
Carrying Amount at December 31, 2023 $ 226 $ - $ 226 $ - $ 227
10. Lease liability
Vehicles
Computer
Hardware
Subtotal
Computer
Software
Total
Lease Liability
Balance at January 1, 2024 $ 77 $ - $ 77 $ - $ 77
Additions 35 - 35 - 35
Disposals/removal of lease - - - - -
Repayment (39) - (39) - (39)
Balance at December 31, 2024 $ 73 $ - $ 73 $ - $ 73
Lease Liability

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Balance at January 1, 2023 $ 81 $ 24 $ 105 $ 7 $ 112
Additions 42 - 42 - 42
Disposals/removal of lease (8) - (8) - (8)
Repayment $ (38) $ (24) $ (62) $ (7) $ (69)
Balance at December 31, 2023 77 0 77 0 77
BURLINGTON HYDRO INC.
Notes to Financial Statements
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(in thousands)
20
10. Lease liabilities (continued)
At December 31, 2024, the net carrying amount of the lease liabilities related to the leased assets
was $73 (2023 - $77).
Total cash outflows with respect to leasing arrangements during the year was $44 (2023 - $73)
consisting of principal and interest of $39 and $5, respectively (2023 - $69, $4).
Certain leases held by the Corporation provide the Corporation with extension options and
termination options that may impact the term of the Lease which can impact the lease liabilities
recognized in the statement of financial position. The Corporation has determined the lease term
for all contracts based on all available information as at the reporting date.
Lease liabilities are due as follows:
Less than
one year
Between one
and five years Total
Future minimum lease payments
December 31, 2024 $ 37 $ 43 $ 80
December 31, 2023 39 46 85
Interest
December 31, 2024 4 3 7
December 31, 2023 4 4 8
Present value of minimum
lease payments
December 31, 2024 33 40 73
December 31, 2023 35 42 77
BURLINGTON HYDRO INC.
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(in thousands)
21
11. Income tax expense
Current tax expense
2024 2023
Current period $ 59 $ 59
Prior period adjustments (71) (71)
$ (12) $ (12)
Deferred tax expense
2024 2023
Origination and reversal of temporary differences $ 1,654 $ 1,653
Tax adjustment included in other comprehensive income (52) (52)
$ 1,602 $ 1,601

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Reconciliation of effective tax rate
2024 2023
Income before taxes $ 9,542 $ 4,009
Canada and Ontario statutory income tax rates 26.5 % 26.5 %
Expected tax provision on income at statutory rates 2,529 1,063
Increase (decrease) in income taxes resulting from:
Permanent differences 14 14
Under provided in prior periods (158) (158)
Regulatory 734 734
Other adjustments (12) (12)
Income tax expense $ 3,107 $ 1,641
Significant components of the Corporation's deferred tax balances
2024 2023
Deferred tax assets (liabilities):
Property, plant and equipment $ (22,482) $ (22,482)
Intangible assets (1,469) (1,469)
Post-employment benefits 952 952
Regulatory deferral account balances (2,707) (2,707)
Deferred revenue 15,654 15,654
Non-capital losses 1,230 1,230
Other 1,033 1,033
$ (7,789) $ (7,789)
BURLINGTON HYDRO INC.
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(in thousands)
22
11. Income tax expense (continued)
During the year, the Ministry of Finance reassessed the Company's 2018 and 2019 taxation years, and denied the current deduction of certain expenditures. The Company has objected to the Minister's position on the basis that the adjustments are not supported by legislation or jurisprudence, and are without merit. Should the Minister's position ultimately prevail however, there would be an increase in current taxation expense and a decrease in deferred taxation expense. The net impact to tax expense in the financial statements would therefore be nil, as the adjustments are related to the timing of when deductions are permitted, and any interest expense associated with the current tax assessments would not be material to the financial statements.
12. Regulatory balances
Reconciliation of the carrying amount for each class of regulatory balances
Regulatory deferral account debit balances
January 1,
2024 Additions
Recovery /
reversal
December
31, 2024
Remaining
recovery/
reversal

Corporation's name	Business number	Tax year end Year Month Day
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years
Group 1 deferral accounts $ 8,458 $ 206,146 $ (206,589) $ 8,015 2
Regulatory settlement account 10,348 202 6,493 17,043 5
Other regulatory accounts 1,658 472 98 2,228 3
Income tax 6,289 - - 6,289 -
$ 26,753 $ 206,820 $ (199,998) $ 33,575
Regulatory deferral account debit balances
January 1,
2023 Additions
Recovery /
reversal
December
31, 2023
Remaining
recovery/
reversal
years
Group 1 deferral accounts $ 9,810 $ 37,080 $ (38,431) $ 8,459 2
Regulatory settlement account 9,652 78 617 10,347 5
Other regulatory accounts 1,749 124 (216) 1,657 3
Income tax 7,413 (1,123) - 6,290 -
$ 28,624 $ 36,159 $ (38,030) $ 26,753
Regulatory deferral account credit balances
January 1,
2024 Additions
Recovery /
reversal
December
31, 2024
Remaining
recovery/
reversal
years
Group 1 deferral accounts $ (312) $ 289 $ (2,064) $ (2,088) 2
Regulatory settlement account (9,492) (38) (7,025) (16,556) 5
Other regulatory accounts (443) (203) (84) (731) 3
$ (10,247) $ 48 $ (9,173) $ (19,375)
Regulatory deferral account credit balances
January 1,
2023 Additions
Recovery /
reversal
December
31, 2023
Remaining
recovery/
reversal
years
Group 1 deferral accounts $ (5,227) $ 153,276 $ (148,361) $ (312) 2
Regulatory settlement account (8,136) (59) (1,298) (9,493) 5
Other regulatory accounts (406) (24) (14) (444) 3
$ (13,769) $ 153,193 $ (149,673) $ (10,249)
The income tax balances will be recovered over the life of the related
capital assets.
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23
12. Regulatory balances (continued)

The regulatory balances are recovered or settled through rates approved by the OEB which are determined using historical data. The Corporation has received approval from the OEB to establish its regulatory balances.

(a) The most significant regulatory activities included in the regulatory balances are retail settlement variances - the difference between electricity market and service costs incurred by the Corporation and the amount billed to consumers by the Corporation at OEB approved rates. Specifically, these amounts include variances between the amounts charged by the IESO and Hydro One for the market price of electricity, the operation of the electricity markets and grid, as well as various wholesale market settlement charges and transmission charges as compared to the amount billed to consumers based on the OEB-approved rates. These differences are recorded in Group 1 deferral and variance accounts. The Corporation seeks authorization to settle the Group 1 deferral and variance accounts through application to the OEB as part of its annual rate applications. Settlement is typically through volumetric rate riders except for the Residential rate class which has transitioned to a fully fixed service charge. Since future consumption volumes are impacted by exogenous factors (e.g. weather, economic conditions) the amount actually disposed of through the operation of the authorized rate rider varies from the balance authorized for disposition. Any differences between actual disposition and approved balances are settled in a subsequent rate application.

In Burlington Hydro's incentive rate mechanism (IRM) application for rates effective January 1, 2025, the OEB approved its request for disposition of its 2023 Group 1 deferral account balances and the 2022 balances of Accounts 1588 RSVA Power and 1589 RSVA Global Adjustment not disposed of in 2023, for a total disposition of $2,180. Disposition will be over a one year period from January 1, 2025 to December 31, 2025.

(b) The OEB approved a variance account to record revenues associated with the delivery of Conservation and Demand Management ("CDM") programs. The Lost Revenue Adjustment Mechanism Variance Account ("LRAMVA") tracks the difference between the results of actual, verified impacts of CDM activities and the level of CDM program activities included in a

Corporation's name	Business number	Tax year end Year Month Day
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distributor's load forecast. This variance account is included in other regulatory accounts.
(c) The remaining regulatory activities included in the regulatory balances are Group 2 Deferral
and Variance accounts for which Burlington Hydro can only seek authorization to settle as part
of a Cost of Service rate application, which typically occurs every five years. Burlington
Hydro's next Cost of Service application is scheduled to be in 2026.
The OEB requires the Corporation to estimate its income taxes when it files a COS application to
set its rates. As a result, the Corporation has recognized a regulatory deferral account for the
amount of deferred taxes that will ultimately be recovered from/paid back to its customers. This
balance will fluctuate as the Corporation's deferred tax balance fluctuates.
BURLINGTON HYDRO INC.
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(in thousands)
24
12. Regulatory balances (continued)
Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers'
Acceptances three-month rate plus a spread of 25 basis points. In 2024, the average rate was
5.15% (2023 - 5.05%).
13. Accounts payable, accrued and other liabilities
2024 2023
IESO - energy purchases $ 20,298 $ 18,267
Regional Municipality of Halton 6,074 5,843
Trade payables 5,924 7,836
Accrued and other liabilities 4,840 5,150
Payable to related parties 79 48
$ 37,215 $ 37,144
14. Long-term debt
2024 2023
City notes payable $ 47,879 $ 47,879
Ontario Infrastructure loan and note 10,970 12,538
TD term loan 3,268 3,746
62,117 64,163
Current portion 2,125 2,046
Non-current portion $ 59,992 $ 62,117
The interest rate on the City note payable is 2.85%. This note payable is due on demand to the
City. The City has waived its right to demand payment until January 1, 2025.
The Corporation obtained an Ontario Infrastructure Projects Corporation ("OIPC") Debenture of
$10,000 on March 15, 2011 due March 15, 2026. The loan bears interest at a rate of 4.51%. The
loan is payable in the amount of $77 monthly principal and interest.
On March 1, 2013, the Corporation obtained a loan from the OIPC in the form of a Promissory
Note of $8,000 due March 1, 2038. The Note bears interest at a rate of 4.02%. The Note is
payable in the amount of $42 monthly principal and interest.

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On December 17, 2018, the Corporation obtained a loan from the OIPC in the form of a
Promissory Note of $7,000 due December 17, 2033. The note bears interest at a rate of 3.63%.
The note is payable in the amount of $50 monthly principal and interest.
The OIPC facilities are secured by a general security agreement over the assets of the
Corporation.
BURLINGTON HYDRO INC.
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(in thousands)
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14. Long-term debt (continued)
On March 31, 2021, the Corporation obtained a $5,000 fixed rate term loan from the TD Bank due
March 31, 2031. The term loan bears interest at a rate of 2.47%. The loan is secured by a
General Security Agreement over the assets of the Corporation.
Scheduled repayments of long-term debt for the years ended December 31 are as follows:
2025 $ 50,003
2026 1,507
2027 1,322
2028 1,366
2029 1,411
Thereafter 6,508
$ 62,117
15. Deferred revenue
Deferred revenue relates to the capital contributions received from customers and others. The
amount of deferred revenue received from customers and others is $69,594 (2023 - $60,405).
Deferred revenue is recognized as revenue on a straight-line basis over the life of asset for which
the contribution was received.
16. Liability for employee future benefits
(a) OMERS pension plan
As at December 31, 2024, the OMERS plan was 97% funded (2023 - 97%). OMERS has a
strategy to return the plan to a fully funded position. The Corporation is not able to assess the
implications, if any, of this strategy or of the withdrawal of other participating entities from the
OMERS plan on its future contributions. In 2024, the Corporation made employer
contributions of $1,202 to OMERS (2023 - $1,202), of which $237 (2023 - $237) has been
capitalized as part of PP&E and the remaining amount of $965 (2023 - $965) has been
recognized in profit or loss. The Corporation estimates that a contribution of $1,297 to
OMERS will be made in 2025.
(b) Post-employment benefits other than pension
The Corporation pays certain medical and life insurance benefits on behalf of some of its
retired employees. The Corporation recognizes these post-employment benefits

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in the year in
which employees' services were rendered. The Corporation is recovering its
post-employment
benefits in rates based on the expense and re-measurements recognized for
post-employment
benefit plans.
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16. Liability for employee future benefits (continued)
(b) Post-employment benefits other than pension (continued)
Reconciliation of the Obligation 2024 2023
Defined benefit obligation, beginning of year $ 3,591 $ 3,415
Included in profit or loss
Current service cost 135 137
Past service cost / (gain) (10) -
Interest cost 158 164
3,874 3,716
Included in OCI
Actuarial (gains) / losses arising from:
Changes in financial assumptions 598 197
Benefits paid (349) (322)
Defined benefit obligation, end of year $ 4,123 $ 3,591
Actuarial Assumptions 2024 2023
Discount (interest) rate 4.60 % 4.60 %
Salary levels 3.50 % 3.50 %
Medical costs 5.10 % 4.90 %
Dental costs 5.40 % 5.10 %
A 1% increase in the assumed discount rate would result in the defined
benefit obligation
decreasing by $407. A 1% decrease in the assumed discount rate would result
in the defined
benefits obligation increasing by $496.
17. Share capital
2024 2023
Authorized:
Unlimited number of common shares
Issued:
2,000 common shares $ 45,139 $ 45,139
Dividends
The holders of the common shares are entitled to receive dividends as
declared from time to time.
The Corporation paid dividends in the year on common shares of $1 per share
(2023 - $2) which
amount to total dividends paid in the year of $2,075 (2021 - $3,026).
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18. Revenue
The Corporation generates revenue primarily from the sale and distribution of
electricity to its
customers.

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BURLINGTON HYDRO INC.	[redacted]	2024-12-31

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2024 2023
Revenue from contracts with customers $ 249,155 $ 225,416
Other revenue
Collection charges 22 21
Late payment charges 175 215
Other 1,807 2,357
Loss on disposal of property, plant and equipment (96) (65)
Total revenue $ 251,063 $ 227,944
In the following table, revenue from contracts with customers is
disaggregated by type of
customer.
2024 2023
Large users $ 119,655 $ 108,214
Residential 99,207 89,228
Commercial 29,311 27,078
Street lights 982 895
$ 249,155 $ 225,415
19. Operating expenses
2024 2023
Salaries and wages $ 12,062 $ 12,062
Depreciation and amortization 8,129 8,129
Benefits 3,250 3,250
Contracted services/labour 3,615 3,615
Equipment/building maintenance 1,868 1,868
Material 773 773
Other 2,451 2,451
$ 32,148 $ 32,148
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(in thousands)
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20. Finance income and costs
2024 2023
Finance income
Interest income - bank deposits $ 479 $ 431
Finance costs
Interest expense - long-term debt 1,913 1,988
Interest expense - operating 72 72
Interest expense - PILs reassessments - 70
Interest expense - Expansion Deposits 159 -
Interest expense - lease liabilities $ 5 $ 5
$ 2,149 $ 2,135
Net finance costs recognized in profit or loss $ 1,670 $ 1,704
21. Commitments and contingencies
General
From time to time, the Corporation is involved in various litigation matters
arising in the ordinary
course of its business. The Corporation has no reason to believe that the
disposition of any such
current matter could reasonably be expected to have a materially adverse
impact on the
Corporation's financial position, results of operations or its ability to
carry on any of its business
activities.
General liability insurance

Corporation's name	Business number	Tax year end Year Month Day
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The Corporation maintains appropriate types and levels of insurance with major insurers. With
respect to liability insurance, the Corporation is a member of the Municipal Electricity Association
Reciprocal Insurance Exchange ("MEARIE"). A reciprocal insurance exchange may be defined as
a group of persons formed for the purpose of exchanging reciprocal contracts of indemnity or interinsurance
with each other. MEARIE is licensed to provide general liability insurance to its
members. All members of the pool could potentially be subjected to an assessment for losses
experienced by the pool for the years in which they were members on a pro-rata basis on the total
of their respective service revenues. It is anticipated that should such an assessment occur it
would be funded over a period of up to 5 years. As at December 31, 2024, no such assessments
have been made.

22. Related party transactions

(a) Parent and ultimate controlling party

The sole shareholder of the Corporation is Burlington Enterprises Corporation, which in turn is
wholly owned by the City. The City produces consolidated financial statements that are
available for public use.

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22. Related party transactions (continued)

(b) Outstanding balances with related parties

2024 2023
Note payable to the City $ 47,879 $ 47,879
Receivables from the City 497 2,763

(c) Transactions with ultimate parent (the City)

The Corporation had the following significant transactions with its ultimate parent, a
government entity:

During the year, the Corporation earned gross revenue of $3,958 (2023 - $3,561) from the
City. Of this amount, $503 (2023 - $471) was net distribution revenue.
Accounts receivable from the City include $- (2023 - $1,047) related to major construction
projects.
Amounts payable to and receivable from related parties, included in accounts payable and
accounts receivable, are due within thirty days of receipt of invoice.
The Corporation delivers electricity to the City throughout the year for the electricity needs of
the City and its related organizations. Electricity delivery charges are at prices and under
terms approved by the OEB.

(d) Transactions with entities under common control

The Corporation received $782 (2023 - $465) for billing and administrative

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BURLINGTON HYDRO INC.	[redacted]	2024-12-31

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services from a
company under common control.
The Corporation received $105 (2023 - $101) for an operating lease from a
company under
common control.
The Corporation received $73 (2023 - $81) for general and administrative
services from
companies under common control.
The Corporation purchased services from a company under common control in the
amount of
$102 (2021 - $102) during the year.
The Corporation received $- (2023 - $38) for control room services from a
company under
common control.
(e) Key management personnel
The key management personnel of the Corporation and the Board of Directors
were
compensated as follows:
2024 2023
Salaries and other compensation $ 1,639 $ 1,532
Short term employee benefits 303 295
Directors' fees 146 118
$ 2,088 $ 1,945
BURLINGTON HYDRO INC.
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23. Financial instruments and risk management
Fair value disclosure
The carrying values of cash, securities held as customer deposits, accounts
receivable, unbilled
revenue and accounts payable and accrued liabilities approximate fair value
because of the short
maturity of these instruments. The carrying value of the customer deposits
and work order
deposits approximate fair value because the amounts are payable on demand.
The fair value of the long-term debt at December 31, 2024 is $62,010. The
fair value is calculated
based on the present value of future principal and interest cash flows,
discounted at the current
rate of interest at the reporting date with the exception of the note payable
to the City. The City
note fair value is equal to its' carrying value, because it is effectively
due on demand (or within a
year). The interest rates used to calculate fair value at December 31, 2024
for the remaining debt
ranged from 2.47% to 4.21% based upon the outstanding term of the loans.
Financial risks
The Corporation understands the risks inherent in its business and defines
them broadly as
anything that could impact its ability to achieve its strategic objectives.
The Corporation's exposure
to a variety of risks such as credit risk, interest rate risk, and liquidity
risk, as well as related
mitigation strategies are discussed below.

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(a) Credit risk
Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the City of Burlington. One customer accounts for a balance, which is all current, in excess of 2% of total accounts receivable.
The carrying amount of accounts receivable is reduced through the use of a provision for expected credit losses and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the provision for expected credit losses at December 31, 2024 is $250 (2023 - $225). An impairment loss of $230 (2023 - $115) was recognized during the year.
The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. The extension of the OEB's winter disconnection ban negatively impacted the Corporation's ability to exercise the full extent of its collection tools to manage the credit risk. The Corporation has estimated the expected credit losses using its historical loss rates and recent trends for customer collections along with current and forecasted economic conditions and data.
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23. Financial instruments and risk management (continued)
(a) Credit risk (continued)
To support residential and small business customers struggling to pay their energy bills, the Government of Ontario provided funding for the COVID-19 Energy Assistance Program ("CEAP"). The Corporation was allocated a portion of this funding and actively participated in the program.
At December 31, 2024, $529 (2023 - $462) is considered 60 days past due. The Corporation has over 69,600 customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB. As at December 31, 2024, the Corporation holds security deposits in the amount of $2,262 (2023 - $2,648).
(b) Market risk
Market risks primarily refer to the risk of loss resulting from changes in

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commodity prices,
foreign exchange rates, and interest rates. The Corporation currently does not have any
material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in
interest rates as the regulated rate of return for the Corporation's distribution business is
derived using a complex formulaic approach which is in part based on the forecast for longterm
Government of Canada bond yields. This rate of return is approved by the OEB as part
of the approval of distribution rates.
(c) Liquidity risk
The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet
operational and investing requirements. The Corporation's objective is to ensure that sufficient
liquidity is on hand to meet obligations as they fall due while minimizing interest exposure.
The Corporation has access to a $20,000 credit facility and monitors cash balances daily to
ensure that a sufficient level of liquidity is on hand to meet financial commitments as they
become due. As at December 31, 2024, no amounts had been drawn under the Corporation's
credit facility.
The Corporation also has a bilateral facility for $18,000 (the "LC" facility) for the purpose of
issuing a letter of credit to support the prudential requirements of the IESO, of which $nil has
been drawn and posted with the IESO (2023 - $nil).
The majority of accounts payable, as reported on the statement of financial position, are due
within 30 days.
BURLINGTON HYDRO INC.
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(in thousands)
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23. Financial instruments and risk management (continued)
(d) Capital disclosures
The main objectives of the Corporation, when managing capital, are to ensure ongoing access
to funding to maintain and improve the electricity distribution system, compliance with
covenants related to its credit facilities, prudent management of its capital structure with regard
for recoveries of financing charges permitted by the OEB on its regulated electricity distribution
business, and to deliver the appropriate financial returns.
The Corporation's definition of capital includes shareholder's equity and long-term debt. As at
December 31, 2024, shareholder's equity amounts to $98,440 (2023 - $94,686) and long-term
debt amounts to $62,118 (2023 - $64,163).
24. Comparative Information

Corporation's name	Business number	Tax year end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

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Certain 2023 comparative figures have been reclassified to conform with the
financial statement
presentation adopted for the current year.
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Canada Revenue Agency / Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- 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 Guide T4012, T2 Corporation – Income Tax Guide.
- All legislative references are to the Income Tax Act.
- If you need more space, attach additional schedules.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125			6,222,723	A1
Net income (loss) after extraordinary items from line 110 of Schedule 150			0	A2
Total			6,222,723	A
Add:				
Provision for income taxes – current	101	386,177		
Provision for income taxes – deferred	102	1,271,103		
Amortization of tangible assets	104	8,712,657		
Loss on disposal of assets	111	95,934		
Charitable donations and gifts from Schedule 2	112	35,962		
Scientific research expenditures deducted per financial statements	118	412,651		
Non-deductible club dues and fees	120	4,285		
Non-deductible meals and entertainment expenses	121	36,999		
Reserves from financial statements – balance at the end of the year	126	4,423,006		
Subtotal of additions		15,378,774	15,378,774	

Add:

Other additions:

	1 Description 605	2 Amount 295
1	Inducement under 12(1)(x) ITA	46,300
2	Section 12(1)(a) income	16,790,691
3	Capital contributions received 12(1)(x)	10,718,791
4	Net movement in Regulatory Balances	2,244,000
	Total of column 2	29,799,782

Total of column 2	296	29,799,782		
Subtotal of other additions	199	29,799,782	29,799,782	D
Total additions	500	45,178,556	45,178,556	
Amount A **plus** line 500			51,401,279	B
Deduct:				
Capital cost allowance from Schedule 8	403	9,564,198		
SR&ED expenditures claimed in the year on line 460 from Form T661	411	706,117		
Reserves from financial statements – balance at the beginning of the year	414	3,816,398		
Contributions to deferred income plans from Schedule 15	417	254,000		
Subtotal of deductions		14,340,713	14,340,713	

Deduct:

Other deductions:

	1 Description 705	2 Amount 395
1	Section 20(1)(m) reserve	16,790,691

	1 Description 705	2 Amount 395
2	ITA 13(7.4) Election - capital contributions received	10,718,791
3	Overhead capitalized for accounting	501,928
4	Principal capital lease payments	39,027
5	Amortization of deferred capital contributions	1,529,431
6	Tax recovery in net movements in regulatory	1,476,342
7	SR&ED cost capitalized for accounting	4,748
8	Gov't assistance added back for SR&ED	602
	Total of column 2	31,061,560

Total of column 2	396	31,061,560		
Subtotal of other deductions	499	31,061,560	31,061,560	E
Total deductions	510	45,402,273	45,402,273	

Net income (loss) for income tax purposes (amount B **minus** line 510) . . . . 5,999,006 C

Enter amount C on line 300 of the T2 return.

Canada Revenue Agency / Agence du revenu du Canada

Schedule 130

Excessive Interest and Financing Expenses Limitation

Corporation's name	Business number	Tax year end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- Use this schedule to determine the deductibility of **interest and financing expenses** (IFE) under the excessive interest and financing expenses limitation (EIFEL) rules and to provide information on **exempt interest and financing expenses** (exempt IFE).
- The main provisions of the EIFEL rules are paragraph 12(1)(l.2), sections 18.2 and 18.21, and clause 95(2)(f.11)(ii)(D).
- The ratio of permissible expenses is 40% for tax years that start on or after October 1, 2023 but before January 1, 2024. For tax years that start on or after January 1, 2024, the ratio of permissible expenses is 30%.
- All legislative references are to the Income Tax Act.
- File this schedule with your T2 Corporation Income Tax Return for the tax year.

Part 1A – Received capacity

1. Does the corporation have received capacity as defined in subsection 18.2(1) in the year? . . . . **001** ☐ Yes ☒ No

If line 001 is **yes**, complete the following table.

Row	1 Name of each eligible group entity the corporation received capacity from **002**	2 Account number **003**	3 Tax year end (yyyy/mm/dd) **004**	4 Amount of capacity received **005**
1				

Total of column 4 (enter on line 130 in Part 2J and line 136 in Part 2K) ______ A

Part 1B – Exempt IFE

1. Has the corporation incurred any amounts for a borrowing or other financing that are exempt IFE as defined in subsection 18.2(1)? . . . . . 006 ☐ Yes ☒ No

If line 006 is **yes**, complete the following table.

Row	1 Name of **public sector authority** with which an agreement has been entered into 007	2 Principal amount of borrowing or other financing entered into as a result of the agreement 008	3 IFE incurred regarding amount in column 2 (see **note 1**) 009	4 Corporation income from activities that the amount in column 2 wholly or partially funded 010	5 Corporation loss from activities that the amount in column 2 wholly or partially funded (enter as positive amount) 011
1					

Total of column 3 ________ A

Total of column 4 (enter on line 104 in Part 2F) ________ B

Total of column 5 (enter on line 092 in Part 2F) ________ C

Note 1: IFE determined as if the description of variable A in the definition of IFE were read without reference to exempt IFE.

Part 1C – Information on borrowings and other financings and related derivatives

Complete the following table if the corporation has a borrowing or other financing.

1 Relationship with others parties	2 Total of the principal amounts of borrowing or other financing at any point in the tax year 012	3 Total of the notional amounts of derivatives entered into in respect of a borrowing or other financing at any point in the tax year 013	4 Total of all amounts included in paragraph (a) of variable A of IFE in respect of a borrowing or other financing 014	5 Total of all amounts included in paragraph (e) of variable A of IFE (other than a loss or capital loss) 015	6 Total of all amounts included in paragraph (a) of variable B of IFE (other than a dividend or exempt IFE or a gain included in taxpayer income) 016
Canadian arm's length	16,283,748		552,973		
Canadian non-arm's length	47,878,608		1,359,576		
Non-resident arm's length					
Non-resident non-arm's length					

Total of column 4 (enter on line 027 in Part 2A) 1,912,549 A

Total of column 5 (enter on line 033 in Part 2A) ________ B

Total of column 6 (enter on line 042 in Part 2A) ________ C

Part 1D – Information on loans and other financings and related derivatives

Complete the following table if the corporation has a loan or other financing.

1 Relationship with others parties	2 Total of the principal amounts of loans or other financings at any point in the tax year 017	3 Total of the notional amounts of derivatives entered into in respect of loans or other financings at any point of the year 018	4 Total of all amounts included in paragraph (d) of variable A of IFR (other than a dividend or a gain included in corporation's income) 019	5 Total of all amounts included in paragraph (a) of variable B of IFR (other than a loss or capital loss) 020
Canadian arm's length				
Canadian non-arm's length				
Non-resident arm's length				
Non-resident non-arm's length				

Total of column 4 (enter on line 061 in Part 2D) ______ A

Total of column 5 (enter on line 066 in Part 2D) ______ B

Part 1E – IFE allocated from partnership

Complete the following table if the corporation is a member of a partnership that has IFE.

Row	1 Name of the partnership 021	2 Partnership account number (leave blank if the partnership is non-resident) 022	3 Corporation's share of amount included under variable A of partnership IFE (box 247 of the T5013 slips if applicable) 023	4 Portion of amount in column 3 in which paragraph 12(1)(l.1) applies 024	5 Portion of amount in column 3, not deductible in the corporation's income or included in corporation's non-capital loss because of subsection 96(2.1) 025	6 Amount to be included under paragraph (h) of variable A of IFE (column 3 **minus** column 4 **minus** column 5) 026
1						

Total of column 6 (enter on line 039 in Part 2A, line 142 in Part 2L and line 156 in Part 2N) ______ A

Part 2A – Interest and financing expenses (IFE)

Variable A: Total of all amounts (other than an amount included in exempt IFE), each of which is:

An amount (other than **excluded interest**, deemed interest under subsection 137(4.1), or an amount included in any other line below), that is,

Interest paid or payable on a borrowing or other financing (excluding shares) (amount A from Part 1C)	027	1,912,549
Interest paid or payable – other	028	375,899
An amount that, on the assumption that it is not deductible under another section, would be deductible under subparagraphs 20(1)(e)(ii), 20(1)(e)(ii.1), 20(1)(e)(ii.2) and paragraphs 20(1)(e.1), 20(1)(e.2) and 20(1)(f)	029	

Amount attributable to IFE that your corporation has claimed for the particular tax year as:

Capital cost allowance (CCA) (amount B from Part 2B)	030	
Resource expenses (amount A from Part 2C)	031	
Terminal loss (amount A from Part 2B)	032	

An amount, under or as a result of an agreement or arrangement entered into as or in relation to a borrowing or other financing of the corporation (or a non-arm's length person or partnership) that can reasonably be considered to increase or be part of the cost of funding with respect to the borrowing or other financing of the corporation (or a non-arm's length person or partnership), that is,

Paid or payable that is deductible in the tax year (other than under subparagraph 20(1)(e)(i)) (amount B from Part 1C)	033	
A loss that is deductible in the tax year (other than under subparagraph 20(1)(e)(i))	034	
A capital loss that reduces the amount determined under paragraph 3(b) or deducted when calculating the corporation's taxable income for the tax year	035	

Expense or fee payable (other than an amount already included on line 029) under (or in contemplation of, in the course of entering into, or in relation to) an agreement or an arrangement that gives rise to, or can reasonably be expected to give rise to,

An amount being included in IFE – under paragraph (e) of variable A of the definition of IFE	036	
An amount that reduces the IFE for the year under variable B of the definition of IFE	037	
A **lease financing amount** (other than an **excluded lease** and excluded interest)	038	
The corporation's share of the IFE of a partnership it is a member of (amount A from Part 1E)	039	
The portion of an amount claimed under paragraph 111(1)(e) that was denied under subsection 96(2.1) in a preceding tax year that is attributable to IFE	040	
An amount that is a controlled foreign affiliate's (CFA) **relevant affiliate interest and financing expenses**, to the extent of the corporation's **specified participating percentage** in respect of the affiliate for the affiliate tax year (enter on line 143 in Part 2L)	041	
Total of lines 027 to 041 (enter on lines 139 in Part 2K and 141 in Part 2L)		2,288,448 A

Variable B

An amount, under or as a result of an agreement or arrangement entered into as or in relation to a borrowing or other financing of the corporation (or a non-arm's length person or partnership) that can reasonably be considered to reduce the cost of funding with respect to the borrowing or other financing of the corporation (or a non-arm's length person or partnership), that is,

Received or receivable (other than as a dividend or exempt IFE) included in computing the corporation's income for the year (amount C from Part 1C)	042	
A gain included in the corporation's income for the year	043	

to the extent the amount is not sheltered from Canadian tax by virtue of a credit or deduction in respect of foreign taxes.

The corporation's share of an amount that, if received or receivable by the corporation, would meet the description of an amount to be included on lines 042 or 043, but that is received or receivable by a partnership of which the corporation is a member (total of amounts from box 249 of the T5013 slips plus relevant amounts from non-resident partnerships)	044	
Total of lines 042 to 044		B
Total IFE. Amount A **minus** Amount B. If negative, **enter** "0". (enter on line 083 in Part 2F, line 113 in Part 2G, line 117 in Part 2H and on line 131 in Part 2K)	045	2,288,448

Part 2B – Capitalized IFE in the cost of depreciable assets

Complete the following table if the corporation has an amount that is paid or payable on or after February 4, 2022, that is attributable to IFE and is part of the capital cost of depreciable assets.

Row	1 Class number 046	2 IFE in undepreciated capital cost (UCC) at beginning of the tax year 047	3 IFE in the cost of acquisitions, adjustments and transfers, and proceeds of dispositions 048	4 IFE in UCC (column 2 **plus or minus** column 3) If negative, **enter** "0" 049	5 IFE in terminal loss (see **note 2**) 050	6 IFE in CCA (cannot be more than column 4) 051	7 IFE in UCC at the end of the year (column 4 **minus** column 6) If negative, **enter** "0" 052
1							

Note 2: If no property is left in the class at the end of the year and there is still a positive amount in column 4, you have a terminal loss. If applicable, enter the positive amount from column 4 in column 5.

Total of column 5 (enter on line 032 in Part 2A) ________ A

Total of column 6 (enter on line 030 in Part 2A) ________ B

Part 2C – IFE included in resource deductions

Complete the following table if the corporation has an amount that is paid or payable on or after February 4, 2022, that is attributable to IFE and is included in a resource expense pool.

Row	1 Resource expenses (see **note 3**)	2 IFE in the opening balance 053	3 IFE in amounts added or deducted from pool balance during the tax year 054	4 IFE in amount available before current year claim (column 2 **plus** or **minus** column 3) If negative, **enter** "0" 055	5 IFE in current year claims (cannot be more than column 4) 056	6 IFE in closing balance (column 4 **minus** column 5) If negative, **enter** "0" 057
1	Cumulative Canadian exploration expenses (CCEE) – regular expenses					
2	CCEE – successor expenses					
3	Cumulative Canadian development expenses (CCDE) – regular expenses					
4	CCDE – successor expenses					
5	Cumulative Canadian oil and gas property expenses (CCOGPE) – regular expenses					
6	CCOGPE – successor expenses					
7	Foreign exploration and development expenses (FEDE) – regular expenses					
8	FEDE – successor expenses					
9	Cumulative foreign resource expenses (CFRE) – regular expenses					
10	CFRE – successor expenses					

Note 3: Expenses incurred by the corporation are referred to as **regular expenses** and expenses incurred by the predecessor corporation that a successor corporation is entitled to claim are referred to as **successor expenses**.

Total of column 5 (enter on line 031 in Part 2A) ________ A

Part 2D – Interest and financing revenues (IFR)

Variable A: Total of all amounts (other than an amount included under variable B of the definition of IFE), each of which is:

Interest received or receivable (other than excluded interest, deemed interest under subsection 137(4.1), or an amount included in any of the other lines in Part 2D)	058	478,680
Amount included in the income because of subsection 12(9) or section 17.1 (other than an amount included in any of the other lines in Part 2D)	059	
Fee or similar amount in respect of a guarantee or a similar credit support for the payment of any amount on a debt obligation owing by another person or partnership that is included in computing the corporation's income for the year (other than an amount included in any of the other lines in Part 2D)	060	
An amount, under or as a result of a agreement or arrangement, entered into as or in relation to a loan or other financing, owing to or provided by the corporation (or a non-arm's length person or partnership) that can reasonably be expected to increase or be part of the return of the corporation (or a non-arm's length person or partnership), that is,		
Received or receivable (other than as a dividend) included in computing the corporation's income for the year (amount A from Part 1D)	061	
A gain included in the corporation's income for the year	062	
A lease financing amount (other than a lease that would meet the definition of an excluded lease in subsection 18.2(1), if that definition were read without regard to paragraph (a)) that is included in income, that is not excluded interest for the year	063	7,276
The corporation's share of the IFR of a partnership it is a member of (total of amounts from box 248 of the T5013 slips plus relevant amounts from non-resident partnerships)	064	
Amount that is a CFA's relevant affiliate interest and financing revenues, to the extent of the corporation's specified participating percentage in respect of the affiliate for the affiliate tax year, less any deduction in respect of foreign accrual tax	065	
Total of lines 058 to 065		485,956 A

Variable B: Total of all amounts, each of which is:

Under or as a result of an agreement or arrangement entered into as or in relation to a loan or other financing, owing to or provided by the corporation (or a non-arm's length person or partnership) that can reasonably be considered to reduce the return in respect of the loan or financing of the corporation (or a non-arm's length person or partnership), that is,		
An amount paid or payable (other than a loss or capital loss) that is deductible in computing the corporation's income for the year (amount B from Part 1D)	066	
A loss that is deductible in computing the corporation's income for the year	067	
A capital loss that reduces the amount determined under paragraph 3(b) for the tax year	068	
The corporation's share of an amount that, if received or receivable by the corporation, would correspond the description of an amount to be included on lines 066, 067 and 068, but that is received or receivable by a partnership of which the corporation is a member (total of amounts from box 250 of the T5013 slips plus relevant amounts from non-resident partnerships)	069	
An amount otherwise included in the corporation's IFR (amount A), to the extent the amount is sheltered from Canadian tax by virtue of a credit or deduction in respect of foreign taxes, other than a credit or deduction in respect of foreign withholding taxes	070	
Amounts included in amount A of Part 2D that are exempt from tax under Part I of the Income Tax Act	071	
Total of lines 066 to 071		B
Total IFR. Amount A **minus** amount B. If negative, **enter** "0". (enter on line 096 in Part 2F, line 109 in Part 2G, line 121 in Part 2H and line 135 in Part 2K.)	072	485,956

Part 2E – Paragraph (h) of variable B of adjusted taxable income

Complete this section if the corporation is deducting an amount under paragraph 111(1)(a) for a non-capital loss that is not a specified pre-regime loss defined in subsection 18.2(1).

Row	1 Tax year of origin of the non-capital loss 073	2 Non-capital loss (amount determined under (i) of variable J) 074	3 Amounts determined under (ii) of variable J 075	4 Variable J (**lesser** of column 2 and column 3) 076	5 Amount deducted under paragraph 111(1)(a) when calculating taxable income for the year 077	6 Amount determined for paragraph (h) of variable B of the adjusted taxable income (column 5 **multiplied** by column 4 **divided** by column 2) 078
1						

Total of column 6 (enter on line 089 in Part 2F) ________ A

Part 2F – Adjusted taxable income (ATI)

Variable A

If corporation is a non-resident, the corporation's taxable income earned in Canada (determined without regard to subsection 18.2(2), paragraphs 12(1)(l.2) and 111(1)(a.1)). In any other case, the corporation's taxable income (determined without regard to subsection 18.2(2), paragraphs 12(1)(l.2) and 111(1)(a.1) and clause 95(2)(f.11)(ii)(D))			079	1,847,843
Non-capital loss for the year (determined without regard to subsection 18.2(2), paragraphs 12(1)(l.2) and 111(1)(a.1) and clause 95(2)(f.11)(ii)(D))	080			
Total of all amounts determined under paragraph (b) of variable E of the ATI for CFAs of the corporation	081			
Total of all amounts determined under paragraph (b) of variable E of the ATI for CFAs of partnerships of which the corporation or a CFA of the corporation is a member	082			
Total of lines 080 to 082			▶	A
Line 079 **minus** amount A (can be positive or negative amount)				1,847,843 B

Variable B

The corporation's IFE for the year (line 045 from Part 2A)	083	2,288,448
Amounts deducted when calculating income under paragraphs 20(1)(a) and 59.1(a), subsections 66(4), 66.1(2) or (3), 66.2(2), 66.21(4), 66.4(2), or 66.7(1), (2), (2.3), (3), (4) or (5), other than any portion already included in IFE	084	9,564,198
Terminal loss deducted under subsection 20(16) when calculating income for the year, other than any portion already included in IFE	085	
The corporation's share of the CCA or terminal loss of a partnership it is a member of (other than the portion that is already included in IFE), minus the portion of the amount that is not deductible when calculating the corporation's income or non-capital loss for the year because of subsection 96(2.1)	086	
If an amount has been deducted under paragraph 111(1)(e), the portion of the amount deducted that can reasonably be considered to be attributable to the CCA or terminal loss of a partnership (other than any portion that has been included in IFE)	087	
Amount deducted under paragraph 110(1)(k) when calculating taxable income for the year	088	
The portion of non-capital loss being deducted under paragraph 111(1)(a) that can reasonably be considered to be derived from IFE (amount A from Part 2E)	089	
25% of the amount deducted for a specified pre-regime loss under paragraph 111(1)(a) (see **note 4**)	090	1,028,800
Additional amount, if any, that would be included in the corporation's income, in respect of a CFA or a CFA of a partnership of which the corporation or a CFA of the corporation is a member of, if the affiliate's foreign accrual property income (FAPI) was increased by an amount determined by the formula L x M/N contained in paragraph (j) of variable B of the definition of the ATI	091	
The corporation's loss if it had no income or loss other than a loss that can reasonably be considered to be from activities funded by a borrowing that results in exempt IFE (amount C from Part 1B)	092	
The corporation's share of the loss of a partnership it is a member of, if the partnership had no income or loss other than a loss that can reasonably be considered to be from activities funded by a borrowing that results in exempt IFE	093	
An amount deducted under subsections 127(5) or (6), 127.44(3), 127.45(6), 127.48(3) or 127.49(6) for a property acquired in a preceding tax year that the corporation did not include in income for the year or for a preceding year and did not include in the ATI for a preceding year to the extent it is included in an amount determined under paragraph 13(7.1)(e) and subparagraphs 53(2)(c)(vi) to (c)(vi.4) or (h)(ii) in the definition **undepreciated capital cost** in subsection 13(21)	094	
An amount described in clause 12(1)(x)(i)(C) or subparagraph 12(1)(x)(ii) that the corporation received, to the extent it reduces the cost or capital cost of property and is not included when calculating the corporation's income of the year under subparagraph 12(1)(x)(vi) or (vii)	095	
Total of lines 083 to 095. If negative, **enter** "0".		12,881,446 C

Part 2F continues on the next page >>

Note 4: Paragraph (i) of variable B of ATI in subsection 18.2(1) requires that a specified pre-regime loss election form (T2228) be filed.

Part 2F – Adjusted taxable income (ATI) (continued)

Variable C

IFR of the corporation for the year (line 072 from Part 2D)	096	485,956
Recaptured depreciation amount under subsection 13(1)	097	
The corporation's share of the recaptured depreciation amount of a partnership of which it is a member	098	
Amount included under subsection 59(1) or (3.2) or paragraph 59.1(b) in computing income for the year	099	
Foreign-source income, to the extent it is sheltered from Canadian tax by foreign tax credits under subsection 126(1) or (2)	100	
Amount included under section 110.5 in computing the corporation's taxable income for the year	101	
Amount included in income of the corporation under subsection 104(13), less any portion designated under subsection 104(19) or any amount that gives rise to a deduction under paragraph 94.2(3)(a) in computing FAPI	102	
Amount of taxable income for the year that is not, because of an Act of Parliament, subject to tax under Part I of the Income Tax Act	103	
Income of the corporation if it had no income or loss other than income that can reasonably be considered to derive from activities funded by a borrowing that results in exempt IFE (amount B from Part 1B)	104	
Corporation's share of the income or loss of a partnership of which it is a member, if the partnership had no income or loss other than income that can reasonably be considered to derive from activities funded by a borrowing that results in exempt IFE	105	
Total of lines 096 to 105. If negative, **enter** "0".		485,956 D
ATI of the corporation for the year. Amount B **plus** amount C **minus** amount D. If negative, **enter** "0". (enter on line 107 in Part 2G, line 119 in Part 2H, and line 133 in Part 2K)	106	14,243,333

Part 2G – Excess capacity

If a **group ratio** election under subsection 18.21(2) has been made, the excess capacity is nil, in any other case:

ATI of the corporation for the year (line 106 from Part 2F)	107	14,243,333		
The ratio of permissible expenses of the corporation for the year	108	30 %		
Line 107 **multiplied by** line 108		4,273,000	► 4,273,000	A
IFR of the corporation for the year (line 072 from Part 2D)	109	485,956		
The amount by which the IFR exceeds the IFE for the year. If negative, **enter** "0"	110			
If, in the absence of section 257, the ATI is a negative amount, the absolute value of ATI, otherwise nil	111			
The **lesser** of lines 110 and 111				B
The ratio of permissible expenses of the corporation for the year	112	30 %		
Amount B **multiplied by** line 112			►	C
Line 109 **minus** amount C. If negative, **enter** "0".		485,956	► 485,956	D
Amount A **plus** amount D			4,758,956	E
The corporation's IFE for the year (line 045 from Part 2A)	113		2,288,448	
Amount E **minus** line 113. If negative, **enter** "0". (enter on line 129 in Part 2J)			2,470,508	F
The restricted interest and financing expenses deductible under paragraph 111(1)(a.1) for the year (amount B from Part 2J)	114			
Excess capacity for the current year. Amount F **minus** line 114. If negative, **enter** "0". (enter on line 126 in Part 2I)	115		2,470,508	

Part 2H – Absorbed capacity

Cumulative unused excess capacity determined as if the absorbed capacity for the year were nil (amount B in Part 2I)	116		6,656,148	
The corporation's IFE for the year (line 045 in Part 2A)	117	2,288,448		
If the corporation has made a group ratio election under subsection 18.21(2), the allocated group ratio amount	118			
If it has not made a group ratio election, the ATI (line 106 from Part 2F)	119	14,243,333		
Ratio of permissible expenses for the year	120	30 %		
Line 119 **multiplied** by line 120		4,273,000	► 4,273,000	A
The corporation's IFR for the year (line 072 from Part 2D)	121	485,956		
Either line 118 **or** amount A, whichever applies, **plus** line 121		4,758,956	► 4,758,956	B
Line 117 **minus** amount B. If negative, **enter** "0".			►	C
Absorbed capacity. The **lesser** of line 116 or amount C. (enter on line 127 in Part 2I and on line 138 in Part 2K)				D

Part 2I – Cumulative unused excess capacity (CUEC)

If the corporation has been subject to a loss restriction event, the CUEC for any tax year after the event, is determined without regard to the absorbed capacity, excess capacity and transferred capacity for the tax years ending before the event.

Row		1 Excess capacity **122**	2 Amounts previously transferred under subsection 18.2(4) **123**	3 Amounts previously absorbed under subsection 18.2(2) **124**	4 Column 1 **minus** column 2 **minus** column 3 If negative, **enter** "0" **125**
1	Third immediately preceding year	1,141,300			1,141,300
2	Second immediately preceding year	1,471,661			1,471,661
3	First immediately preceding year	1,572,679			1,572,679

Total of column 4 .... 4,185,640 A

Excess capacity for the year (line 115 from Part 2G) **126** 2,470,508

CUEC determined as if the absorbed capacity for the year were nil.
Amount A **plus** line 126 (enter on line 116 in Part 2H) 6,656,148 ▶ 6,656,148 B

Absorbed capacity (amount D from Part 2H) .... **127** ______

CUEC. Amount B **minus** line 127. If negative, **enter** "0". 6,656,148 C

Part 2J – Restricted interest and financing expenses (RIFE) under paragraph 111(1)(a.1)

RIFE from previous tax years .... **128** ______

Corporation's excess capacity for the year if the amount determined for C in that definition were nil (amount F from Part 2G) **129** 2,470,508

Total of all amounts of the corporation's received capacity for the year (amount A from Part 1A) .... **130** ______

Line 129 **plus** line 130 2,470,508 ▶ 2,470,508 A

RIFE deductible under paragraph 111(1)(a.1) for the year. The **lesser** of line 128 and amount A (enter on line 114 in Part 2G and on line 137 in Part 2K) ______ B

Part 2K – Proportion determined under subsection 18.2(2)

The corporation's IFE for the year (line 045 from Part 2A)		**131**	2,288,448
If a group ratio election under subsection 18.21(2) has been made, the amount determined and allocated in respect of the corporation for the year under the group ratio election	**132**		
If no group ratio election has been made, the ATI (line 106 from Part 2F) **133** 14,243,333			
Ratio of permissible expenses **134** 30 %			
Line 133 **multiplied** by line 134 4,273,000 ▶	4,273,000 A		
Either line 132 **or** amount A, whichever applies			4,273,000 B
The corporation's IFR for the year (line 072 from Part 2D)		**135**	485,956
Received capacity for the year (amount A from Part 1A)	**136**		
RIFE deductible under paragraph 111(1)(a.1) for the year (amount B from Part 2J)	**137**		
The amount of received capacity that exceeds the deductible amount under paragraph 111(1)(a.1). Line 136 **minus** line 137. If negative, **enter** "0".		▶	C
Absorbed capacity amount for the year (amount D from Part 2H)		**138**	
Amount B **plus** line 135 **plus** amount C **plus** line 138			4,758,956 D
Line 131 **minus** amount D			E
If IFE does not include any amount for relevant affiliate interest and financing expenses:			
Variable A of IFE (amount A from Part 2A)	**139** 2,288,448		
In all other situations:			
Variable A of IFE, adjusted to remove any amounts that are part of a CFA's relevant affiliate interest and financing expenses under variable B of IFE	**140**		
Either line 139 **or** line 140, whichever applies			2,288,448 F
Amount E **divided** by amount F. If negative, **enter** "0". (enter in column 3 in Part 2M)			% G

Part 2L – Excess IFE under subsection 18.2(2)

Variable A of IFE (amount A from Part 2A)	**141**	2,288,448	
Total of the amounts determined under paragraph (h) of variable A of IFE (amount A from Part 1E)	**142**		
Total of the amounts determined under paragraph (j) of variable A of IFE (line 041 from Part 2A)	**143**		
Line 141 **minus** line 142 **minus** line 143. If negative, **enter** "0".		2,288,448 ▶	2,288,448 A
Total of all amounts determined under subsection 18.2(2). Amount G in Part 2K **multiplied** by amount A in Part 2L. (enter on line 159 in Part 2O and in Schedule 1 of T2 return)			B

Part 2M – Amounts determined under clause 95(2)(f.11)(ii)(D)

Use the following table to determine amounts that are not deductible under subclause 95(2)(f.11)(ii)(D)(I).

Row	1 Name of CFA 144	2 Amounts determined for variable A in the definition of IFE for the affiliate 145	3 Proportion determined under subsection 18.2(2) Amount G in Part 2K % 146	4 Denied amount under subclause 95(2)(f.11)(ii)(D)(I) Column 2 **multiplied** by column 3 147	5 The corporation's specified participating percentage under subsection 18.2(1) for the affiliate's tax year % 148	6 Corporation's share of the denied amount under subclause 95(2)(f.11)(ii)(D)(I) for the affiliate's tax year Column 4 **multiplied** by column 5 149
1						

Total of column 6 (enter on line 161 in Part 2O) 150 ____________

Use the following table to determine amounts to be included under subclause 95(2)(f.11)(ii)(D)(II).

Row	1 Name of the CFA that is a member of the partnership 151	2 Amount determined under subclause 95(2)(f.11)(ii)(D)(II) in computing a CFA's FAPI 152	3 The corporation's specified participating percentage under subsection 18.2(1) for the affiliate's tax year % 153	4 The corporation's share of an amount included under subclause 95(2)(f.11)(ii)(D)(II) for the affiliate's tax year Column 2 **multiplied** by column 3 154
1				

Total of column 4 (enter on line 162 in Part 2O) 155 ____________

Part 2N – Partnership IFE add-back under paragraph 12(1)(l.2)

Total of all amounts included under paragraph (h) of variable A of corporation's IFE (amount A from Part 1E)	156		
Ratio determined under subsection 18.2(2) (amount G from Part 2K)	157		%
Total add-back of partnership IFE under paragraph 12(1)(l.2) (line 156 **multiplied** by line 157) (enter on line 160 in Part 2O and in Schedule 1 of T2 return)	158		

Part 2O – RIFE under subsection 111(8)

Excess IFE under subsection 18.2(2) (amount B from Part 2L)	159		
Partnership IFE add-back under paragraph 12(1)(l.2) (line 158 from Part 2N)	160		
Amount determined under subclause 95(2)(f.11)(ii)(D)(I) (line 150 from Part 2M)	161		
Amount determined under subclause 95(2)(f.11)(ii)(D)(II) (line 155 from Part 2M)	162		
RIFE for the tax year. **Total** of lines 159 to 162 (enter in Schedule 4)			A

Inducement

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

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

Tax credits whose amount should be added to income

Ontario

A		
X	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	2,779
X	Ontario co-operative education tax credit	43,521
X	Ontario computer animation and special effects tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
X	Ontario film and television tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
X	Ontario production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
X	Ontario interactive digital media tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
X	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario business-research institute tax credit	
X	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Canada Revenue Agency Agence du revenu du Canada

Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
Our Youth at Work Association	7,000
United Way	500
United Way	13,761
Joseph Brant Hospital Foundation	100
United Way	8,991
United Way	2,035
United Way	3,575
Subtotal	35,962
Add: Total donations of less than $100 each	
Total donations in current tax year	35,962

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			1A	39,228	39,228
Charitable donations expired after five tax years*	239				
Charitable donations at the beginning of the current tax year (amount 1A **minus** line 239)	240			39,228	39,228
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year . . . . (include this amount on line 112 of Schedule 1, Net Income (Loss) for Income Tax Purposes)	210	35,962		35,962	35,962
Subtotal (line 250 **plus** line 210)		35,962	1B	35,962	35,962
Subtotal (line 240 **plus** amount 1B)		35,962	1C	75,190	75,190
Adjustment for an acquisition of control	255				
Total charitable donations available (amount 1C **minus** line 255)		35,962	1D	75,190	75,190
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2) . . . . (enter this amount on line 311 of the T2 return)	260	35,962		35,962	35,962
Charitable donations closing balance (amount 1D **minus** line 260)	280			39,228	39,228

	Line	Amount	
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)	262		
Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %)			1

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

	Line	Amount	
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)	263		
Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %)			2

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

	Line	Amount	
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2027)	265		
British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %)			3

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2023-12-31		22,463	22,463
2nd prior year	2022-12-31		15,525	15,525
3rd prior year	2021-12-31		1,240	1,240
4th prior year	2020-12-31			
5th prior year	2019-12-31			
6th prior year*	2018-12-31			
7th prior year	2017-12-31			
8th prior year	2016-12-31			
9th prior year	2015-12-31			
10th prior year	2014-12-31			
11th prior year	2013-12-31			
12th prior year	2012-12-31			
13th prior year	2011-12-31			
14th prior year	2010-12-31			
15th prior year	2009-12-31			
16th prior year	2008-12-31			
17th prior year	2007-12-31			
18th prior year	2006-12-31			
19th prior year	2005-12-31			
20th prior year	2004-12-31			
21st prior year*	2003-12-31			
Total (to line A)			39,228	39,228

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes **(Note 1) multiplied** by 75 %			4,499,255	2A
Taxable capital gains arising in respect of gifts of capital property included in Part 1 **(Note 2)**	**225**			
Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)	**227**			
The amount of the recapture of capital cost allowance in respect of charitable donations	**230**			
Proceeds of disposition, **less** outlays and expenses **(Note 2)**	2B			
Capital cost **(Note 2)**	2C			
Amount 2B or 2C, whichever is less	**235**			
Amount on line 230 or 235, whichever is less		2D		
Subtotal (**add** lines 225, 227, and amount 2D)		2E		
Amount 2E **multiplied** by 25 %				2F
Subtotal (amount 2A **plus** amount 2F)			4,499,255	2G
Maximum allowable deduction for charitable donations (enter amount 1D from Part 1, amount 2G, or net income for tax purposes, whichever is the least)			35,962	2H

Note 1: For credit unions, this amount is before the deduction of bonus interest payments and payments pursuant to allocations in proportion to borrowing made by the credit union that is otherwise deductible under subsection 137(2).

Note 2: This amount must be prorated by the following calculation: eligible amount of the gift **divided** by the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

	Line	Federal		Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year			3A		
Gifts of certified cultural property expired after five tax years*	439				
Gifts of certified cultural property at the beginning of the current tax year (amount 3A **minus** line 439)	440				
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450				
Total gifts of certified cultural property in the current year (include this amount on line 112 of Schedule 1)	410				
Subtotal (line 450 **plus** line 410)			3B		
Subtotal (line 440 **plus** amount 3B)			3C		
Adjustment for an acquisition of control	455				
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460				
Subtotal (line 455 **plus** line 460)			3D		
Gifts of certified cultural property closing balance (amount 3C **minus** amount 3D)	480				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2023-12-31			
2nd prior year	2022-12-31			
3rd prior year	2021-12-31			
4th prior year	2020-12-31			
5th prior year	2019-12-31			
6th prior year*	2018-12-31			
7th prior year	2017-12-31			
8th prior year	2016-12-31			
9th prior year	2015-12-31			
10th prior year	2014-12-31			
11th prior year	2013-12-31			
12th prior year	2012-12-31			
13th prior year	2011-12-31			
14th prior year	2010-12-31			
15th prior year	2009-12-31			
16th prior year	2008-12-31			
17th prior year	2007-12-31			
18th prior year	2006-12-31			
19th prior year	2005-12-31			
20th prior year	2004-12-31			
21st prior year*	2003-12-31			
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

		Federal		Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year			4A		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539				
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A **minus** line 539)	540				
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550				
Total current-year gifts of certified ecologically sensitive land (include this amount on line 112 of Schedule 1)	520				
Subtotal (line 550 **plus** line 520)			4B		
Subtotal (line 540 **plus** amount 4B)			4C		
Adjustment for an acquisition of control	555				
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560				
Subtotal (line 555 **plus** line 560)			4D		
Gifts of certified ecologically sensitive land closing balance (amount 4C **minus** amount 4D)	580				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date . . . .

Year of origin:		Federal	Québec	Alberta
1st prior year	2023-12-31			
2nd prior year	2022-12-31			
3rd prior year	2021-12-31			
4th prior year	2020-12-31			
5th prior year	2019-12-31			
6th prior year*	2018-12-31			
7th prior year	2017-12-31			
8th prior year	2016-12-31			
9th prior year	2015-12-31			
10th prior year	2014-12-31			
11th prior year*	2013-12-31			
12th prior year	2012-12-31			
13th prior year	2011-12-31			
14th prior year	2010-12-31			
15th prior year	2009-12-31			
16th prior year	2008-12-31			
17th prior year	2007-12-31			
18th prior year	2006-12-31			
19th prior year	2005-12-31			
20th prior year	2004-12-31			
21st prior year*	2003-12-31			
Total				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line *6th prior year* and gifts that are included on line *11th prior year* expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line *6th prior year* and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

		Federal		Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year			5A		
Additional deduction for gifts of medicine expired after five tax years*	639				
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A **minus** line 639)	640				
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650				
Additional deduction for gifts of medicine made before March 22, 2017:					
Proceeds of disposition	602				
Cost of gifts of medicine made before March 22, 2017	601				
Subtotal (line 602 **minus** line 601)			5B		
Amount 5B **multiplied** by 50 %			5C		
Eligible amount of gifts	600				

Federal

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 **610** ______

Québec

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

Alberta

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

where:

a is the **lesser** of line 601 and amount 5C

b is the eligible amount of gifts (line 600)

c is the proceeds of disposition (line 602)

		Federal		Québec	Alberta
Subtotal (line 650 **plus** line 610)			5D		
Subtotal (line 640 **plus** amount 5D)			5E		
Adjustment for an acquisition of control	655				
Amount applied in the current year against taxable income (enter this amount on line 315 of the T2 return)	660				
Subtotal (line 655 **plus** line 660)			5F		
Additional deduction for gifts of medicine closing balance (amount 5E **minus** amount 5F) **(Note 3)**	680				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Note 3: The amount at line 680 is not available for carryforward.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2023-12-31			
2nd prior year	2022-12-31			
3rd prior year	2021-12-31			
4th prior year	2020-12-31			
5th prior year	2019-12-31			
6th prior year*	2018-12-31			
7th prior year	2017-12-31			
8th prior year	2016-12-31			
9th prior year	2015-12-31			
10th prior year	2014-12-31			
11th prior year	2013-12-31			
12th prior year	2012-12-31			
13th prior year	2011-12-31			
14th prior year	2010-12-31			
15th prior year	2009-12-31			
16th prior year	2008-12-31			
17th prior year	2007-12-31			
18th prior year	2006-12-31			
19th prior year	2005-12-31			
20th prior year	2004-12-31			
21st prior year*	2003-12-31			
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
Subtotal (line D **plus** line E)		F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2023-12-31	
2nd prior year	2022-12-31	
3rd prior year	2021-12-31	
4th prior year	2020-12-31	
5th prior year	2019-12-31	
6th prior year	2018-12-31	
7th prior year	2017-12-31	
8th prior year	2016-12-31	
9th prior year	2015-12-31	
10th prior year	2014-12-31	
11th prior year	2013-12-31	
12th prior year	2012-12-31	
13th prior year	2011-12-31	
14th prior year	2010-12-31	
15th prior year	2009-12-31	
16th prior year	2008-12-31	
17th prior year	2007-12-31	
18th prior year	2006-12-31	
19th prior year	2005-12-31	
20th prior year	2004-12-31	
21st prior year*	2003-12-31	
Total		

* These gifts expired in the current year.

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Schedule 3

Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations (as defined in subsection 186(3)).
- A payer corporation is **connected** with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends were received from a foreign source.
  Column F1 – Enter the code that applies to the deductible taxable dividend.

Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, H.1, I, I.1, I.2 and L **only if** the payer corporation is **connected**.

Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the **special calculations provided in the notes**.

A Name of payer corporation (from which the corporation received the dividend) 200	A1	B Enter 1 if payer corporation is **connected** 205	C Business number of **connected** corporation 210	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD 220	E Non-taxable dividends under section 83 230

Total of column E (enter amount on line 402 of Schedule 1)

Part 1 – Dividends received in the tax year (continued)

F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1), (b), or (d) [1] 240	F1	G Eligible dividends included in column F 242	H Total taxable dividends paid by the **connected** payer corporation (line 460 in Schedule 3 for the tax year in column D) 250	H.1 Total eligible dividends paid by the **connected** payer corporation (line 465 in Schedule 3 for the tax year in column D)	I Dividend refund of the **connected** payer corporation (for tax year in column D) [2] 260

I.1 Eligible dividend refund of the **connected** payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (amount CC from T2 return for the tax year in column D)	I.2 Additional non-eligible dividend refund of the **connected** payer corporation from its ERDTOH (amount II from T2 return for the tax year in column D)	J Part IV tax for eligible dividends. Dividends (from column G) **multiplied** by 38 1/3% [3] 265	K Part IV tax before deductions. Dividends (from column F) **multiplied** by 38 1/3% [4] 275	L Part IV tax before deductions on taxable dividends received from **connected** corporations [5] 280

Total of column L (enter amount on line 2E in Part 2) ____

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B) . . . . ____ 1A

Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B) . . . . ____ 1B

Subtotal (amount 1A **plus** amount 1B, include this amount on line 320 of the T2 return) ____ 1C

Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B) . . . . ____ 1D

Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B) . . . . ____ 1E

Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B) . . . . ____ 1F

Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B) . . . . ____ 1G

Subtotal (amount 1F **plus** amount 1G) ____ ► ____ 1H

Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B) . . . . ____ 1I

Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B) . . . . ____ 1J

Subtotal (amount 1I **plus** amount 1J) ____ ► ____ 1K

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H **minus** amount 1K) . . . . ____ 1L

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

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

3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to column I **divided** by column H **multiplied** by column G.

4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to column I **divided** by column H **multiplied** by column F.

5 For the purpose of calculating your eligible refundable dividend tax on hand (ERDTOH), Part IV tax on taxable dividends received from **connected** corporations (with a tax year starting after 2018) is equal to the sum of Part IV tax on eligible dividends and non-eligible dividends received from **connected** corporations to the extent that such dividends caused a dividend refund to those corporations from their ERDTOH.

Part IV tax before deductions on taxable dividends received from **connected** corporations for purposes of column L is the sum of (i) and (ii), where

(i) Part IV tax on eligible dividends received from **connected** corporations is equal to amount CC of the **connected** payer corporation (on page 7 of the T2 return) **divided** by line 465 of the **connected** payer corporation, **multiplied** by column G; and

(ii) Part IV tax on non-eligible dividends received from **connected** corporations is equal to amount II of the **connected** payer corporation (on page 7 of the T2 return) **divided** by line 470 of the **connected** payer corporation, **multiplied** by the difference between columns F and G.

Part 2 – Calculation of Part IV tax payable

Part IV tax on dividends received before deductions (amount 1H in part 1)			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43)	320			
Subtotal (amount 2A **minus** line 320)			▶	2B
Current-year non-capital loss claimed to reduce Part IV tax	330			
Non-capital losses from previous years claimed to reduce Part IV tax	335			
Current-year farm loss claimed to reduce Part IV tax	340			
Farm losses from previous years claimed to reduce Part IV tax	345			
Total losses applied against Part IV tax (total of lines 330 to 345)			2C	
Amount 2C **multiplied** by 38 1 / 3 %				2D
Part IV tax payable (amount 2B **minus** amount 2D, if negative enter "0") (enter amount on line 712 of the T2 return)			360	

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations (total of column L in part 1)		2E
Amount 4A from Schedule 43		2F
Part IV tax payable on taxable dividends received from connected corporations (amount 2E **minus** amount 2F, if negative enter "0") (enter at amount C on page 7 of the T2 return)		2G
Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)		2H
Amount 4C from Schedule 43		2I
Part IV tax payable on taxable dividends received from non-connected corporations (amount 2H **minus** amount 2I, if negative enter "0") (enter at amount D on page 7 of the T2 return)		2J

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

If your corporation's tax year-end is different than that of the recipient corporation with which you are connected, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

	M Name of recipient corporation with which you are connected 400	N Business number 410	O Tax year-end of recipient corporation in which the dividends in column P were received YYYYMMDD 420	P Taxable dividends paid to recipient corporations with which you are connected 430	Q Eligible dividends included in column P 440
1	Burlington Enterprises Corporation	[redacted]	2024-12-31	2,075,409	
				2,075,409 (Total of column P)	(Total of column Q)

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

Total taxable dividends paid in the tax year to other than connected corporations			450	
Eligible dividends included in line 450	455			
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column P **plus** line 450)			460	2,075,409
Total eligible dividends paid in the tax year (total of column Q **plus** line 455)			465	
Total non-eligible taxable dividends paid in the tax year (line 460 **minus** line 465)			470	2,075,409

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 **multiplied** by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)		3A
Line 470 **multiplied** by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	795,573	3B

Part 4 – Total dividends paid in the tax year

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

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)				2,075,409	
Other dividends paid in the tax year (total of 510 to 540)					
Total dividends paid in the tax year			500	2,075,409	
Dividends paid out of capital dividend account	510				
Capital gains dividends	520				
Dividends paid on shares described in subsection 129(1.2)	530				
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540				
Subtotal (total of lines 510 to 540)			►		4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 **minus** amount 4A)				2,075,409	4B

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Schedule 4

Corporation Loss Continuity and Application

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- Use this form to determine the continuity and use of available losses; to determine a current-year non-capital loss, farm loss, restricted farm loss, limited partnership loss, or restricted interest and financing expense; to determine the amount of restricted farm losses, limited partnership losses, and restricted interest and financing expenses 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.
- All legislative references are to the federal Income Tax Act.
- According to subsection 111(4), when control has been acquired, no amount of capital loss incurred in a tax year ending before that time is deductible when calculating taxable income for a tax year ending after that time. Also, no amount of capital loss incurred in a tax year ending after that time is deductible when calculating taxable income for 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 Guide T4012, T2 Corporation – Income Tax.
- File this schedule with the T2 return, or send the schedule by itself to the tax centre where the return is filed.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes			5,999,006	1A
Restricted interest and financing expenses (RIFE) deducted in the year (enter as a positive amount)		1B		
Net capital losses deducted in the year (enter as a positive amount)		1C		
Taxable dividends deductible under section 112 or subsections 113(1) or 138(6)		1D		
Amount of Part VI.1 tax deductible under paragraph 110(1)(k)		1E		
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)		1F		
Employer deduction for non-qualified securities – Paragraph 110(1)(e)		1G		
Subtotal (total of amounts 1B to 1G)		▶		1H
Subtotal (amount 1A **minus** amount 1H; if positive, enter "0")				1I
Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions				1J
Subtotal (amount 1I **minus** amount 1J)				1K
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)				1L
Current-year non-capital loss (amount 1K **plus** amount 1L, if positive enter "0")				1M

If amount 1M is negative, enter it on line 110 as a positive amount.

Continuity of non-capital losses and request for a carryback

Non-capital losses at the end of the previous tax year		4,115,201	1N	
Non-capital loss expired [1]	100			
Non-capital losses at the beginning of the tax year (amount 1N **minus** line 100)	102	4,115,201	▶	4,115,201
Non-capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation [2]	105			
Current-year non-capital loss (from amount 1M)	110			
Subtotal (line 105 **plus** line 110)			▶	1O
Subtotal (line 102 **plus** amount 1O)				4,115,201 1P

[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**.

[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.

Part 1 – Non-capital losses (continued)

Other adjustments (includes adjustments for an acquisition of control)	150			
Section 80 – Adjustments for forgiven amounts	140			
Subsection 111(10) – Adjustments for fuel tax rebate				
Non-capital losses of previous tax years applied in the current tax year Enter the amount from line 130 on line 331 of the T2 return.	130	4,115,201		
Current and previous years non-capital losses applied against current-year taxable dividends subject to Part IV tax [3]	135			
Subtotal (total of lines 150, 140, 130 and 135)		4,115,201	4,115,201	1Q
Non-capital losses before any request for a carryback (amount 1P **minus** amount 1Q)				1R

Request to carry back non-capital loss to:

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)				1S
Closing balance of non-capital losses to be carried forward to future tax years (amount 1R **minus** amount 1S)	180			

[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

Continuity of capital losses and request for a carryback

Capital losses at the end of the previous tax year	200	85,869		
Capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	205			
Subtotal (line 200 **plus** line 205)		85,869	85,869	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)			85,869	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 [4]			2D	
Allowable business investment losses (ABILs) that expired as non-capital losses at the end of the previous tax year [5]			2E	
Enter amount 2D or 2E, whichever is less	215			
ABILs expired as non-capital losses (line 215 **multiplied** by 2.000000)	220			
Subtotal (amount 2C **plus** line 210 **plus** line 220)			85,869	2F

Note
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.

[4] Determine the amount of the non-capital loss from the **11th previous tax year**, and enter the part of the non-capital loss that was not deducted in the **previous 11 years**.

[5] Enter the amount of the ABILs from the **11th previous tax year**. Enter the full amount on amount 2E.

Part 2 – Capital losses (continued)

Capital losses from previous tax years applied against the current-year net capital gain [6]	225		
Capital losses before any request for a carryback (amount 2F **minus** line 225)		85,869	2G

Request to carry back capital loss to: [7]

	Capital gain (100%)		Amount carried back (100%)		
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) [8]		280		85,869	

[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.

[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.

[8] Capital losses can be carried forward indefinitely.

Part 3 – Farm losses

Continuity of farm losses and request for a carryback

Farm losses at the end of the previous tax year				3A
Farm loss expired [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 1L 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 the amount from 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 [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

Request to carry back farm loss to:

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			

[9] A farm loss expires after **20 tax years**.

[10] Line 335 is the total of lines 340 and 345 from Schedule 3.

Part 4 – Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business			485	
(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 ▶	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 [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) Enter the amount from line 410 on line 233 of Schedule 1, Net Income (Loss) for Income Tax Purposes.	410			
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 Enter the amount from line 430 on line 333 of the T2 return.	430			
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.

[11] A restricted farm loss expires after **20 tax years**.

Part 5 – Listed personal property losses

Continuity of listed personal property losses and request for a carryback

Listed personal property losses at the end of the previous tax year 5A

Listed personal property loss expired[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 the amount from 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**

[12] A listed personal property loss expires after **seven tax years**.

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, clean economy tax credit, farming losses, and resource expenses[15]	Column 4 **minus** column 5 (if negative, enter "0")	Current -year limited partnership losses (column 3 **minus** column 6)
	600	602	604	606	608		620
1.							

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, clean economy tax credit, business or property losses, and resource expenses[15]	Column 4 **minus** column 5 (if negative, enter "0")	Limited partnership losses that may be applied in the year (the lesser of columns 3 and 6)
	630	632	634	636	638		650
1.							

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
1.						

Total (enter this amount on line 335 of the T2 return)

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

[15] Clean economy tax credit is defined in subsection 127.47(1).

Part 8 – Restricted interest and financing expenses (RIFE)

Continuity of RIFE

RIFE at the end of the previous tax year	700	
RIFE transferred on an amalgamation or on the wind-up of a subsidiary corporation	705	
RIFE adjustments for an acquisition of control	750	
Subtotal (line 700 **plus** line 705 **minus** line 750)		► 8A

Enter amount 8A on line 128 in Part 2J of Schedule 130, Excessive Interest and Financing Expenses Limitation.

Current-year restricted interest and financing expense determined under subsection 111(8) (amount A from Part 2O of Schedule 130)	710	
RIFE deducted for the tax year [16]	730	

Enter the amount from line 730 on line 336 of the T2 return.

Closing balance of RIFE (amount 8A **plus** line 710 **minus** line 730) 780

[16] The amount deducted **must** not exceed amount B in Part 2J of Schedule 130.

Part 9 – Election under paragraph 88(1.1)(f)

If you are making an election under paragraph 88(1.1)(f), tick 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 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.

See the privacy notice on your return.

Non-Capital Loss Continuity Workchart

Part 6 – Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce		Balance at end of year
					Taxable income	Part IV tax	
Current	N/A				N/A		
1st preceding taxation year 2023-12-31		N/A		N/A			
2nd preceding taxation year 2022-12-31		N/A		N/A			
3rd preceding taxation year 2021-12-31	67,651	N/A		N/A	67,651		
4th preceding taxation year 2020-12-31	4,047,550	N/A		N/A	4,047,550		
5th preceding taxation year 2019-12-31		N/A		N/A			
6th preceding taxation year 2018-12-31		N/A		N/A			
7th preceding taxation year 2017-12-31		N/A		N/A			
8th preceding taxation year 2016-12-31		N/A		N/A			
9th preceding taxation year 2015-12-31		N/A		N/A			
10th preceding taxation year 2014-12-31		N/A		N/A			
11th preceding taxation year 2013-12-31		N/A		N/A			
12th preceding taxation year 2012-12-31		N/A		N/A			
13th preceding taxation year 2011-12-31		N/A		N/A			
14th preceding taxation year 2010-12-31		N/A		N/A			
15th preceding taxation year 2009-12-31		N/A		N/A			
16th preceding taxation year 2008-12-31		N/A		N/A			
17th preceding taxation year 2007-12-31		N/A		N/A			
18th preceding taxation year 2006-12-31		N/A		N/A			
19th preceding taxation year 2005-12-31		N/A		N/A			
20th preceding taxation year 2004-12-31		N/A		N/A			*
Total	4,115,201				4,115,201		

* **This balance expires this year and will not be available next year.**

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Schedule 5

Tax Calculation Supplementary – Corporations

Corporation's name	Business Number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- Use this schedule if any of the following apply to your corporation during the tax year:
  - it had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only fill out columns A, B, and D in Part 1)
  - it is claiming provincial or territorial tax credits or rebates (see Part 2)
  - it has to pay taxes, other than income tax, for Newfoundland and Labrador or Ontario (see Part 2)
- All legislative references are to the Income Tax Regulations (the Regulations).
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Allocation of taxable income

100 ______ Enter the regulation that applies (402 to 413).

A Jurisdiction. (tick **yes** if your corporation had a permanent establishment in the jurisdiction during the tax year) **Note 1**		B Total salaries and wages paid in jurisdiction	C B **multiplied** by taxable income, **divided** by G	D Gross revenue attributable to jurisdiction	E D **multiplied** by taxable income, **divided** by H	F Allocation of taxable income (C + E x 1/2) **Note 2** (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes ☐	103		143		
Newfoundland and Labrador Offshore	004 Yes ☐	104		144		
Prince Edward Island	005 Yes ☐	105		145		
Nova Scotia	007 Yes ☐	107		147		
Nova Scotia Offshore	008 Yes ☐	108		148		
New Brunswick	009 Yes ☐	109		149		
Quebec	011 Yes ☐	111		151		
Ontario	013 Yes ☐	113		153		
Manitoba	015 Yes ☐	115		155		
Saskatchewan	017 Yes ☐	117		157		
Alberta	019 Yes ☐	119		159		
British Columbia	021 Yes ☐	121		161		
Yukon	023 Yes ☐	123		163		
Northwest Territories	025 Yes ☐	125		165		
Nunavut	026 Yes ☐	126		166		
Outside Canada	027 Yes ☐	127		167		
Total		129 G		169 H		

Note 1: **Permanent establishment** is defined in subsection 400(2).
Note 2: For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Notes:
1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation – Income Tax Guide.
2. If your corporation has provincial or territorial tax payable, fill out Part 2 on the following pages.
3. If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

Part 2 – Ontario tax payable, tax credits, and rebates

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits
1,847,843		1,847,843	212,502

	Line	Amount		Total	
Ontario basic income tax (from Schedule 500)	270	212,502			
Ontario small business deduction (from Schedule 500)	402				
Subtotal (line 270 **minus** line 402)		212,502	▶	212,502	5A
Ontario transitional tax debits and credits (from Schedule 506)	276				
Recapture of Ontario research and development tax credit (from Schedule 508)	277				
Subtotal (line 276 **plus** line 277)			▶		5B
Gross Ontario tax (amount 5A **plus** amount 5B)				212,502	5C
Ontario tax credit for manufacturing and processing (from Schedule 502)	406				
Ontario foreign tax credit (from Schedule 21)	408				
Ontario credit union tax reduction (from Schedule 500)	410				
Ontario political contributions tax credit (from Schedule 525)	415				
Ontario non-refundable tax credits (total of lines 406 to 415)			▶		5D
Subtotal (amount 5C **minus** amount 5D) (if negative, enter "0")				212,502	5E
Ontario research and development tax credit (from Schedule 508)	416			61,596	
Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E **minus** line 416) (if negative, enter "0")				150,906	5F
Ontario corporate minimum tax credit (from Schedule 510)	418				
Ontario community food program donation tax credit for farmers (from Schedule 2)	420				
Ontario corporate income tax payable (amount 5F **minus** the total of lines 418 and 420) (if negative, enter "0")				150,906	5G
Ontario corporate minimum tax (from Schedule 510)	278	21,993			
Ontario special additional tax on life insurance corporations (from Schedule 512)	280				
Subtotal (line 278 **plus** line 280)		21,993	▶	21,993	5H
Total Ontario tax payable before refundable tax credits (amount 5G **plus** amount 5H)				172,899	5I
Ontario qualifying environmental trust tax credit	450				
Ontario co-operative education tax credit (from Schedule 550)	452	38,518			
Ontario computer animation and special effects tax credit (from Schedule 554)	456				
Ontario film and television tax credit (from Schedule 556)	458				
Ontario production services tax credit (from Schedule 558)	460				
Ontario interactive digital media tax credit (from Schedule 560)	462				
Ontario book publishing tax credit (from Schedule 564)	466				
Ontario innovation tax credit (from Schedule 566)	468				
Ontario business-research institute tax credit (from Schedule 568)	470				
Ontario regional opportunities investment tax credit (from Schedule 570)	472				
Ontario made manufacturing investment tax credit (from Schedule 572)	474				
Ontario refundable tax credits (total of lines 450 to 474)		38,518	▶	38,518	5J
Net Ontario tax payable or refundable tax credit (amount 5I **minus** amount 5J) (if a credit, enter amount in brackets). Include this amount on line 255.	290			134,381	

Summary

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

Net provincial and territorial tax payable or refundable tax credits . . . 255 134,381

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

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Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

For more information, see the section called "Capital Cost Allowance" in Guide T4012, *T2 Corporation – Income Tax*.

Unless otherwise stated, all legislative references are to the federal *Income Tax Act*.

Is the corporation electing under subsection 1101(5q) of the *Income Tax Regulations*? **101** Yes [ ] No [X]

Part 1 – Agreement between associated eligible persons or partnerships (EPOPs)

Are you associated in the tax year with one or more EPOPs with which you have entered into an agreement under subsection 1104(3.3) of the Regulations? . . . . **105** Yes [ ] No [X]

If you answered **yes**, fill out Part 1. Otherwise, go to Part 2.

Enter a percentage assigned to each associated EPOP (including your corporation) as determined in the agreement.

This percentage will be used to allocate the immediate expensing limit. The total of all the percentages assigned under the agreement should not exceed 100%. If the total is more than 100%, then the associated group has an immediate expensing limit of nil. For more information about the immediate expensing limit, see note 12 in Part 2.

	1 Name of EPOP **110**	2 Identification number **Note 1** **115**	3 Percentage assigned under the agreement **120**
1.			
		Total	

Immediate expensing limit allocated to the corporation (see **Note 2**) . . . . **125** ______

Note 1: The identification number is the social insurance number, business number, or partnership account number of the EPOP.

Note 2: Multiply 1.5 million by the percentage assigned to your corporation in column 3. If the total of column 3 is more than 100%, enter "0".

Part 2 – CCA calculation

	1 Class number Note 3 200	Description	2 Undepreciated capital cost (UCC) at the beginning of the year 201	3 Cost of acquisitions during the year (new property must be available for use) Note 4 203	4 Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP) Note 5 232	5 Adjustments and transfers Note 6 205	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition Note 7 221	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition Note 8 222	8 Proceeds of dispositions Note 9 207
1.	1		43,603,083						0
2.	1b		2,486,121	384,114					0
3.	8		1,056,790	976,933					0
4.	10		201,568	359,791					41,535
5.	12			1,029,211					0
6.	14.1		3,562,277						0
7.	45		8						0
8.	47	distribution equipment post Feb 22/05	59,243,834	11,924,988		-78,643			7,671
9.	50	Computers	6,186	254,465					0
10.	95	WIP	1,606,076			-831,417			0
11.	43.2	EV Charging Stations		25,761					0
		Totals	111,765,943	14,955,263		-910,060			49,206

	1 Class number	Description	9 Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4) 234	10 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) Note 10	11 UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) Note 11 236	12 Immediate expensing Note 12 238	13 Cost of acquisitions on remainder of Class (column 3 **minus** column 12)	14 Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56 Note 13 225	15 Remaining UCC (column 10 **minus** column 12) (if negative, enter "0")	16 Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 **plus** column 6 **minus** column 13 **plus** column 14 **minus** column 7) (if negative, enter "0")
1.	1			43,603,083					43,603,083	
2.	1b			2,870,235			384,114	384,114	2,870,235	
3.	8			2,033,723			976,933	976,933	2,033,723	
4.	10			519,824			359,791	359,791	519,824	41,535
5.	12			1,029,211			1,029,211	1,029,211	1,029,211	
6.	14.1			3,562,277					3,562,277	
7.	45			8					8	

	1 Class number	Description	9 Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4) 234	10 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) **Note 10**	11 UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) **Note 11** 236	12 Immediate expensing **Note 12** 238	13 Cost of acquisitions on remainder of Class (column 3 **minus** column 12)	14 Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56 **Note 13** 225	15 Remaining UCC (column 10 **minus** column 12) (if negative, enter "0")	16 Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 **plus** column 6 **minus** column 13 **plus** column 14 **minus** column 7) (if negative, enter "0")
8.	47	distribution equipment post Feb 22/05		71,082,508			11,924,988	11,924,988	71,082,508	7,671
9.	50	Computers		260,651			254,465	254,465	260,651	
10.	95	WIP		774,659					774,659	
11.	43.2	EV Charging Stations		25,761			25,761	25,761	25,761	
		Totals		125,761,940			14,955,263	14,955,263	125,761,940	49,206

Part 2 – CCA calculation (continued)

	1 Class number	Description	17 Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 **minus** column 16) (if negative, enter "0")	18 UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 **multiplied** by the relevant factor) Note 14	19 UCC adjustment for property acquired during the year other than AIIP and property included in Classes 54 to 56 (0.5 **multiplied** by the result of column 13 **minus** column 14 **minus** column 6 **plus** column 7 **minus** column 8) (if negative, enter "0") Note 15 224	20 CCA rate % Note 16 212	21 Recapture of CCA Note 17 213	22 Terminal loss Note 18 215	23 CCA (for declining balance method, the result of column 15 **plus** column 18 **minus** column 19, **multiplied** by column 20, or a lower amount, **plus** column 12) Note 19 217	24 UCC at the end of the year (column 10 **minus** column 23) 220
1.	1					4	0	0	1,744,123	41,858,960
2.	1b		384,114			6	0	0	172,214	2,698,021
3.	8		976,933			20	0	0	406,745	1,626,978
4.	10		318,256			30	0	0	155,947	363,877
5.	12		1,029,211			100	0	0	1,029,211	
6.	14.1					5	0	0	206,674	3,355,603
7.	45					45	0	0	4	4
8.	47	distribution equipment post Feb 22/05	11,917,317			8	0	0	5,686,601	65,395,907
9.	50	Computers	254,465			55	0	0	143,358	117,293
10.	95	WIP				0	0	0		774,659
11.	43.2	EV Charging Stations	25,761	12,881		50	0	0	19,321	6,440
		Totals	14,906,057	12,881					9,564,198	116,197,742

Enter the total of column 21 on line 107 of Form T2 SCH 1, *Net Income (Loss) for Income Tax Purposes*.
Enter the total of column 22 on line 404 of Form T2 SCH 1.
Enter the total of column 23 on line 403 of Form T2 SCH 1.

Note 3: 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 4: Include any property acquired in previous years that has now become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. 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. Do not include any amount in column 3 in respect of property included in column 5 (see note 6). See Guide T4012 for more information about the cost of acquisitions during the year.

Note 5: A DIEP reported in column 4 is a property acquired after April 18, 2021, by a corporation that was a Canadian-controlled private corporation (CCPC) throughout the year, which became available for use in the tax year (before 2024) and was designated as such on or before the day that is 12 months after the filing-due date for the tax year to which the designation relates. It includes all capital property subject to the CCA rules, if certain conditions are met, other than property included in Classes 1 to 6, 14.1, 17, 47, 49, and 51. A property can only qualify as DIEP in the year in which it becomes available for use. See subsection 1104(3.1) of the Regulations for more information.

Note 6: Enter in column 5, "Adjustments and transfers," amounts that increase or reduce the UCC (column 10). Items that increase the UCC include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the UCC (show amounts that reduce the UCC in brackets) include assistance received or receivable during the year for a property, subsequent to its disposition, if such assistance would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f). See Guide T4012 for other examples of adjustments and transfers to include in column 5.
Also include property acquired in a non-arm's length transaction [other than by virtue of a right referred to in paragraph 251(5)(b)] if the property was a depreciable property acquired by the transferor at least 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

Note 7: 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.

Part 2 – CCA calculation (continued)

Note 8: Include all amounts you have repaid during the year for 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)

Include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) (also known as "butterfly reorganization") or include property acquired in a non-arm's length transaction [other than by virtue of a right referred to in paragraph 251(5)(b)] if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

Note 9: 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).
If the cost of a zero-emission passenger vehicle (or a passenger vehicle that was, at any time, a DIEP) exceeds the prescribed amount and it is disposed of to a person or partnership with which you deal at arm's length, the proceeds of disposition will be adjusted based on a factor equal to the prescribed amount as a proportion of the actual cost of the vehicle. The actual cost of the vehicle will be adjusted for payment or repayment of government assistance.

Note 10: If the amount in column 5 (as shown in brackets) reduces the undepreciated capital cost, you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.

Note 11: The amount to enter in column 11 must not exceed the amount in column 10. If it does, enter in column 11 the amount from column 10. If the amount determined in column 10 is zero or a negative amount, enter "0". The only amounts incurred before April 19, 2021, to be included in this column are certain inventory purchases from arm's length persons or partnerships where the conditions in paragraphs 1100(0.3)(a) to (c) of the Regulations are met.

Note 12: Immediate expensing applies to a DIEP included in column 11. The total immediate expensing for the tax year (total of column 12) should not exceed the lesser of:

- Immediate expensing limit: it is equal to one of the following five amounts, whichever is applicable:
  - $1.5 million, if you are not associated with any other EPOP in the tax year
  - amount from line 125, if you are associated in the tax year with one or more EPOPs
  - nil, if the total of the percentages assigned in Part 1 is more than 100% or you are associated in the tax year with one or more EPOPs and have not filed an agreement in prescribed form as required under subsection 1104(3.3) of the Regulations
  - the amount determined under subsection 1104(3.5) of the Regulations for any second or subsequent tax years ending in a calendar year, if you have two or more tax years ending in the calendar year in which you are associated with another EPOP that has a tax year ending in that calendar year
  - any amount allocated by the minister under subsection 1104(3.4) of the Regulations

The immediate expensing limit has to be prorated if your tax year is less than 365 days. You cannot carry forward any unused amount of the immediate expensing limit.

- UCC of the DIEP: total of column 11

You have to maintain the CCPC status throughout the relevant tax year in order to claim the immediate expensing.

Note 13: An AIIP is a property (other than property included in Classes 54 to 56) that you acquired after November 20, 2018, and that became available for use before 2028.
Classes 54 and 55 include zero-emission vehicles that you acquired after March 18, 2019, and that became available for use before 2028.
Class 56 applies to eligible zero-emission automotive equipment and vehicles (other than motor vehicles) that are acquired after March 1, 2020, and that became available for use before 2028.
See Guide T4012 for more information.

Note 14: The relevant factors for property of a class in Schedule II, that is an AIIP or included in Classes 54 to 56, available for use respectively before 2024 or in 2024 are:

- 2 1/3 or 1 1/2 for property in Classes 43.1, 54, and 56
- 1 1/2 or 7/8 for property in Class 55
- 1 or 1/2 for property in Classes 43.2 and 53
- 0 for property in Classes 12, 13, 14, 15, and 59, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 19 for additional information) and
- 0.5 or 0 for all other property that is an AIIP

If the tax year begins in 2023 and ends in 2024, the relevant factor is determined under paragraph 1100(2.01)(a) of the Regulations.

Part 2 – CCA calculation (continued)

Note 15: The UCC adjustment for property acquired during the year (also known as the half-year rule or 50% rule) does not apply to certain property (including AIIP and property included in Classes 54 to 56).
For special rules and exceptions, see Income Tax Folio S3-F4-C1, *General Discussion of Capital Cost Allowance*.

Note 16: 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 23.

Note 17: If the amount in column 10 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 10 in column 21 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1. However, they do apply to a passenger vehicle that was, at any time, a DIEP.

Note 18: 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 10, you have a terminal loss. If applicable, enter the positive amount from column 10 in column 22. 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
- 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, unless certain conditions are met

Note 19: If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See Guide T4012 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: if the capital cost of the property was incurred before 2024, 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), and in any other case, the amount for the year calculated in accordance with Schedule III of the Regulations
- Class 14: the lesser of 150% (if the property becomes available for use in the year and before 2024) or 125% (if the property becomes available for use in the year and after 2023) 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% (if the property is acquired in the year and before 2024) or 125% (if the property is acquired in the year and after 2023) of an amount calculated 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% (for property acquired in the year and before 2024) or 33 1/3% (in any other case) 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 paragraphs 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 provisions 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 an industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the *Income Tax Regulations* for more details.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

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

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	Burlington Electricity Services Inc.		[redacted]	3					
2.	Burlington Enterprises Corporation		[redacted]	1					
3.	The City of Burlington		NR	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

T2 SCH 9 (11)

Canada

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	LIABILITY FOR FUTURE BENEFI	3,591,398		4,123,006	3,591,398	4,123,006
2	AFDA	225,000		300,000	225,000	300,000
	Reserves from Part 2 of Schedule 13					
	Totals	3,816,398		4,423,006	3,816,398	4,423,006

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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Schedule 15

Deferred Income Plans

Corporation's name	Business number	Tax year end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- Complete the information below if the corporation deducted payments from its income made to a registered pension plan (RPP), a registered supplementary unemployment benefit plan (RSUBP), a deferred profit sharing plan (DPSP), a pooled registered pension plan (PRPP), or an employee profit sharing plan (EPSP).
- If the trust that governs an employee profit sharing plan is **not resident** in Canada, please indicate if the T4PS, *Statement of Employees Profit Sharing Plan Allocations and Payments*, Supplementary slip(s) were filed for the last calendar year, and whether they were filed by the trustee or the employer.

	Type of plan (see note 1) 100	Amount of contribution $ (see note 2) 200	Registration number (RPP, RSUBP, PRPP, and DPSP only) 300	Name of EPSP trust 400	Address of EPSP trust 500	T4PS slip(s) (see note 3) 600
1	1	1,021,000	0345983			

Note 1

Enter the applicable code number:

1 – RPP
2 – RSUBP
3 – DPSP
4 – EPSP
5 – PRPP

Note 2

You do not need to add to Schedule 1 any payments you made to deferred income plans.
To reconcile such payments, calculate the following amount:

Total of all amounts indicated in column 200 of this schedule . . . . 1,021,000 A

Less:

Total of all amounts for deferred income plans deducted in your financial statements . . . . . 767,000 B

Deductible amount for contributions to deferred income plans
(amount A **minus** amount B) (if negative, enter "0") . . . . 254,000 C

Enter amount C on line 417 of Schedule 1

Note 3

T4PS slip(s) filed by: 1 – Trustee
2 – Employer (EPSP only)

T2 SCH 15 (13)

Canada

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Schedule 23

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

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for 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:

1 – Associated for purposes of allocating the business limit (unless association code 5 applies)

2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation

3 – Non-CCPC that is a **third corporation**

4 – Associated non-CCPC

5 – 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 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

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 2024

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

	1 Name of associated corporations **100**	2 Business number of associated corporations **200**	3 Association code **300**	4 Business limit for the year before the allocation $	5 Percentage of the business limit % **350**	6 Business limit allocated* $ **400**
1	BURLINGTON HYDRO INC.	[redacted]	1	500,000	100.0000	500,000
2	Burlington Electricity Services Inc.		1	500,000		
3	Burlington Enterprises Corporation		1	500,000		
4	The City of Burlington	NR	4			
				Total	100.0000	500,000 A

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% x (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.

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Schedule 31

Investment Tax Credit – Corporations

General information

- Use this schedule:
  - to calculate an investment tax credit (ITC) earned during the tax year
  - to claim a deduction against Part I tax payable
  - to claim a refund of credit earned during the current tax year
  - to claim a carryforward of credit from previous tax years
  - to transfer a credit following an amalgamation or the wind-up of a subsidiary, as described under subsections 87(1) and 88(1)
  - to request a credit carryback to one or more previous years
  - if you are subject to a recapture of ITC
- Unless otherwise stated, all legislative references are to the Income Tax Act or, where appropriate, the Income Tax Regulations.
- Certain ITCs are eligible for a three-year carryback (if not deductible in the year earned) and are also eligible for a twenty-year carryforward. This does not apply to the clean economy ITCs, which are refundable tax credits.
- Investments or expenditures, described in subsection 127(9) and Regulation Part XLVI, that earn an ITC are:
  - qualified property and qualified resource property (Parts 4 to 7 of this schedule)
    - You can no longer claim the ITC for the qualified resource property expenditures. Only unused credits that have not expired can be carried forward for up to 20 tax years following the tax year in which you incurred the expenditures.
  - qualified scientific research and experimental development (SR&ED) expenditures (Parts 8 to 17). File Form T661, Scientific Research and Experimental Development (SR&ED) Expenditures Claim
  - pre-production mining expenditures (Part 18)
    - You can no longer claim the ITC for the pre-production mining expenditures. Only unused credits that have not expired can be carried forward for up to 20 tax years following the tax year in which you incurred the expenditures.
  - apprenticeship job creation expenditures (Parts 19 to 21)
  - child care spaces expenditures (Part 22)
    - You can no longer claim the ITC for the child care spaces expenditures. Only unused credits that have not expired can be carried forward for up to 20 tax years following the tax year in which you incurred the expenditures.
- Investments or expenditures for the clean economy, described in sections 127.44, 127.45, 127.48, and 127.49, that earn an ITC are investments in (Part 24):
  - carbon capture, utilization, or storage (CCUS) projects, for qualifying expenditures made after 2021
  - clean technology property that is acquired and becomes available for use after March 27, 2023
  - eligible clean hydrogen property that is acquired and becomes available for use after March 27, 2023
  - clean technology manufacturing (CTM) property that is used in qualifying manufacturing and processing activities or the extraction and processing of certain critical minerals and that is acquired and becomes available for use after 2023
- File this schedule with the T2 Corporation Income Tax Return. If you need more space, attach additional schedules.
- For more information on ITCs, see **Investment Tax Credits** in Guide T4012, T2 Corporation – Income Tax Guide.
- For more information on SR&ED, see Guide T4088, Scientific Research and Experimental Development (SR&ED) Expenditures Claim – Guide to Form T661.

Detailed information

- For the purpose of this schedule, **investment** means the capital cost of the property (excluding amounts added by an election under section 21), determined without reference to subsections 13(7.1) and 13(7.4), minus the amount of any government or non-government assistance that the corporation has received, is entitled to receive, or can reasonably be expected to receive for that property at the time it files the income tax return for the year in which the property was acquired. For rules related to capital cost for the CCUS ITC, clean technology ITC, clean hydrogen ITC, and clean technology manufacturing ITC, see, respectively, subsections 127.44(9), 127.45(5), 127.48(10), and 127.49(5).
- An ITC deducted in a tax year for a depreciable property reduces both the capital cost of that property and the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax year will reduce the balance in the pool of deductible SR&ED expenditures and the adjusted cost base (ACB) of an interest in a partnership in the next tax year. An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration expenses in the next tax year.
- Property acquired has to be **available for use (AFU)** before a claim for an ITC can be made. See subsections 127(11.2), 127.45(4), 127.48(5), 127.49(4), and 248(19) for more information. The AFU rules do not apply to claims for the CCUS ITC.
- Expenditures for SR&ED qualifying for an ITC must be identified by the claimant on Form T661 and Schedule 31 no later than one year after the claimant's income tax return is due for the tax year in which it incurred the expenditures. A claimant that does not meet this reporting deadline will not be able to file Schedule 508, Ontario Research and Development Tax Credit, and Schedule 566, Ontario innovation Tax Credit.
- Expenditures for an apprenticeship ITC must be identified by the claimant on Schedule 31 no later than one year after the claimant's income tax return is due for the tax year in which it incurred the expenditures.
- The claimant must identify the clean economy ITC on Schedule 31 no later than one year after the claimant's income tax return is due for the tax year it is entitled to claim the credit for (for the CCUS ITC and the clean hydrogen ITC, the claimant must identify the ITC by the later of this date and December 31, 2025).

Detailed information (continued)

- Partnership allocations – Subsection 127(8) provides for the allocation of the amount that may reasonably be considered to be a partner's share of the ITCs of the partnership at the end of the fiscal period of the partnership. An allocation of ITCs is generally considered to be the partner's reasonable share of the ITCs if it is made in the same proportion in which the partners have agreed to share any income or loss and if section 103 is not applicable for the agreement to share any income or loss. Special rules apply to specified members of a partnership and limited partners. For more information, see Guide T4068, Guide for the Partnership Information Return (T5013 Forms). See section 127.47 for rules that apply to partnerships for the clean economy ITCs generally. For more information on partnership allocations for the CCUS ITC, clean technology ITC, clean hydrogen ITC, and clean technology manufacturing ITC, see, respectively, subsections 127.44(11), 127.45(8), 127.48(12), and 127.49(8).
- For certain purposes, Canada includes the **exclusive economic zone of Canada** as defined in the Oceans Act (which generally consists of an area of the sea that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil of that zone. For the clean technology ITC, Canada includes the exclusive economic zone of Canada only for property that is described in subparagraph (d)(v) or (xiv) of Class 43.1 in Schedule II of the Regulations.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).
- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and new energy generation and conservation property (prescribed in Regulation 4600). Certain qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) for more information.

Part 1 – Investments, expenditures and percentages

Investments	**Specified percentage**
Qualified property and qualified resource property (Part 5)	
Qualified property acquired primarily for use in Atlantic Canada	10 %
Expenditures	
If you are a Canadian-controlled private corporation (CCPC), this percentage may apply to the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %
Note: If your current year's qualified expenditures are more than your expenditure limit (see Part 10), the excess is eligible for an ITC calculated at the 15 % rate.	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for SR&ED in any area in Canada	15 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticeship contract for employment	10 %

Clean economy ITCs (Part 24)

For work performed after November 27, 2023, to qualify for the investment tax credit rates indicated below, an incentive claimant must elect (in prescribed form) to meet certain labour requirements – prevailing wage requirements and apprenticeship requirements. Otherwise, the credit rate will be reduced by 10 percentage points. The incentive claimant must also attest (in prescribed form) to have met these requirements. The labour requirements do not apply to the clean technology manufacturing ITC.

CCUS	
If you incurred qualified carbon capture expenditures to capture carbon directly from ambient air:	
after 2021 and before 2031	60%
after 2030 and before 2041	30%
If you incurred qualified carbon capture expenditures to capture carbon other than directly from ambient air:	
after 2021 and before 2031	50%
after 2030 and before 2041	25%
If you incurred qualified expenditures for carbon transportation, use, or storage:	
after 2021 and before 2031	37.5%
after 2030 and before 2041	18.75%
Clean technology	
If you acquired clean technology property after March 27, 2023, and it becomes available for use:	
before 2034	30%
in 2034	15%
Clean hydrogen	
If you acquired an eligible clean hydrogen property after March 27, 2023, and it becomes available for use:	
before 2034	depending on the carbon intensity tier 40%, 25% or 15%
in 2034	depending on the carbon intensity tier 20%, 12.5%, or 7.5%
For clean ammonia equipment or certain other equipment used solely in connection with clean ammonia equipment, the rate is 15% if the equipment becomes available for use before 2034 and 7.5% if it becomes available for use in 2034.	
Clean technology manufacturing	
If you acquired CTM property after 2023 and it becomes available for use:	
before 2032	30%
in 2032	20%
in 2033	10%
in 2034	5%

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

Part 2A – Determination of a qualifying corporation

This section does not apply to the clean economy investment tax credits.

Is the corporation a qualifying corporation? . . . . . 101 Yes [ ] No [X]

Enter your taxable income for the previous tax year[1] (prior to any loss carrybacks applied) . . . . . 390 ______

For the purpose of a refundable ITC, a **qualifying corporation** is defined under subsection 127.1(2). The corporation has to be a CCPC and its taxable income (before any loss carrybacks) for its previous tax year cannot be more than its **qualifying income limit** for the particular tax year. If the corporation is associated with any other corporations during the tax year, the total of the taxable incomes of the corporation and the associated corporations (before any loss carrybacks), for their last tax year ending in the previous calendar year, cannot be more than their qualifying income limit for the particular tax year.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered **not** associated for the calculation of a refundable ITC if both of the following conditions are met:

- one corporation is associated with another corporation only because one or more persons own shares of the capital stock of both corporations
- one of the corporations has at least one shareholder who is not common to both corporations

If you are a **qualifying** corporation, you will earn a **100**% refund on your share of any ITCs earned at the 35% rate on qualified expenditures for SR&ED, up to the allocated expenditure limit.

Some CCPCs that are **not qualifying** corporations may also earn a **100**% refund on their share of any ITCs earned at the 35% rate on qualified expenditures for SR&ED, up to the allocated expenditure limit. The expenditure limit can be determined in Part 10.

[1] If the tax year referred to on line 390 is less than 51 weeks, **multiply** the taxable income by the following result: 365 **divided** by the number of days in that tax year.

Part 2B – Determination of an excluded corporation – SR&ED

Is the qualifying corporation an excluded corporation as defined under subsection 127.1(2)? . . . . . 650 Yes [ ] No [X]

Only a 40% refund will be available to a qualifying corporation that is an **excluded corporation** as defined under subsection 127.1(2). A corporation is an excluded corporation if, at any time during the year, it is a corporation that is either controlled by (directly or indirectly, in any manner whatever) or is related to one of the following:

a) one or more persons exempt from Part I tax under section 149
b) Her Majesty in right of a province, a Canadian municipality, or any other public authority
c) any combination of persons referred to in a) or b) above

Part 3 – Corporations in the farming industry

Complete this area if the corporation is making SR&ED contributions.

Is the corporation claiming a contribution in the current year to an agricultural organization whose goal is to finance SR&ED work (for example, check-off dues)? . . . . . 102 Yes [ ] No [X]

If **yes**, complete Schedule 125, Income Statement Information, to identify the type of farming industry the corporation is involved in.

Contributions to agricultural organizations for SR&ED[2] . . . . . ______ x 80 % = 103 ______
Enter on line 350 of Part 8.

[2] Enter only contributions not already included on Form T661.

Qualified Property and Qualified Resource Property

Part 4 – Eligible investments for qualified property from the current tax year

Capital cost allowance class number 105	Description of investment 110	Date available for use 115	Location used in Atlantic Canada (province) 120	Amount of investment 125

Total of investments for qualified property ______ 4A

Part 5 – Current-year credit and account balances – ITC from investments in qualified property and qualified resource property

ITC at the end of the previous tax year			5A
Credit deemed as a remittance of co-op corporations	210		
Credit expired	215		
Subtotal (line 210 **plus** line 215)		▶	5B
ITC at the beginning of the tax year (amount 5A **minus** amount 5B)		220	
Credit transferred on an amalgamation or the wind-up of a subsidiary	230		
ITC from repayment of assistance	235		
Qualified property (amount 4A) x 10 % =	240		
Credit allocated from a partnership	250		
Subtotal (total of lines 230 to 250)		▶	5C
Total credit available (line 220 **plus** amount 5C)			5D
Credit deducted from Part I tax	260		
Credit carried back to previous years (amount 6A)	5E		
Credit transferred to offset Part VII tax liability	280		
Subtotal (total of line 260, amount 5E, and line 280)		▶	5F
Credit balance before refund (amount 5D **minus** amount 5F)			5G
Refund of credit claimed on investments from qualified property (from Part 7)		310	
ITC closing balance of investments from qualified property and qualified resource property (amount 5G **minus** line 310)		320	

Part 6 – Request for carryback of credit from investments in qualified property

	Year	Month	Day			
1st previous tax year				Credit to be applied	901	
2nd previous tax year				Credit to be applied	902	
3rd previous tax year				Credit to be applied	903	

Total of lines 901 to 903 6A
Enter at amount 5E.

Part 7 – Refund of ITC for qualifying corporations on investments from qualified property

Current-year ITCs (line 240 **plus** line 250 in Part 5)	7A
Credit balance before refund (from amount 5G)	7B
Refund (40 % of amount 7A or 7B, whichever is less)	7C

Enter amount 7C or a lesser amount on line 310 in Part 5 (also include in line 780 of the T2 return if you do not claim an SR&ED ITC refund).

SR&ED

Part 8 – Qualified SR&ED expenditures

Qualified SR&ED expenditures (line 559 on Form T661)		401,657		
Contributions to agricultural organizations for SR&ED				
Deduct:				
Government assistance, non-government assistance, or contract payment				
Subtotal				
x	80 %			
Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)[3]		+		
Qualified SR&ED expenditures (line 559 on Form T661 **plus** line 103 in Part 3)[3]		401,657	350	401,657
Repayments made in the year (from line 560 on Form T661)			370	
Total qualified SR&ED expenditures (line 350 **plus** line 370)			380	401,657

[3] If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.

Part 9 – Components of the SR&ED expenditure limit calculation

Part 9 only applies if you are a CCPC.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of an SR&ED expenditure limit if both of the following apply:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the corporation
- one of the corporations has at least one shareholder who is not common to both corporations

Is the corporation associated with another CCPC for the purpose of calculating the SR&ED expenditure limit? 385 Yes [X] No [ ]

If you answered **no** to the question on line 385 or if you are not associated with any other corporations, complete line 398.
If you answered **yes**, complete Schedule 49, Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Expenditure Limit, to determine the amounts for associated corporations.

Enter your taxable capital employed in Canada for the previous tax year **minus** $10 million.
If this amount is nil or negative, enter "0". If this amount is over $40 million, enter $40 million 398 ______

Part 10 – SR&ED expenditure limit for a CCPC

For a stand-alone (not associated) corporation

$ 40,000,000 **minus** line 398 in Part 9		10A
Amount 10A divided by $ 40,000,000		10B
Expenditure limit for the stand-alone corporation ($ 3,000,000 **multiplied** by amount 10B)[4]		10C

For an associated corporation

If associated, the allocation of the SR&ED expenditure limit, as provided on Schedule 49[4] 400 ______

If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:

Amount 10C or line 400 ______ x $\frac{\text{Number of days in the tax year}}{365}$ 366 = ______ 10D

Your SR&ED expenditure limit for the year (enter amount 10C, line 400, or amount 10D, whichever applies) 410 ______

[4] Amount 10C or line 400 cannot be more than $3,000,000.

Part 11 – Investment tax credits on SR&ED expenditures

Qualified SR&ED expenditures (from line 350 in Part 8) or the expenditure limit (from line 410 in Part 10), whichever is less[5]	420		x	35 %	=		11A
Line 350 **minus** line 410 (if negative, enter "0")	430	401,657	x	15 %	=	60,249	11B

If a corporation makes a repayment of any government or non-government assistance, or contract payments that reduced the amount of qualified expenditures for ITC purposes, the amount of the repayment is eligible for a credit.

Repayments (amount from line 370 in Part 8) . . . . ____

Enter the amount of the repayment on the line that corresponds to the appropriate rate.

Repayment of assistance that reduced a qualifying expenditure for a CCPC[6]	460		x	35 %	=		11C
Repayment of assistance made after September 16, 2016, that reduced a qualifying expenditure incurred before 2015	480		x	20 %	=		11D
Repayment of assistance made after September 16, 2016, that reduced a qualifying expenditure incurred after 2014	490		x	15 %	=		11E
Subtotal (total of amounts 11C to 11E)						►	11F
Current-year SR&ED ITC (total of amounts 11A, 11B, and 11F; enter on line 540 in Part 12)						60,249	11G

[5] For corporations that are not CCPCs, enter "0" for amount 11A.

[6] If you were a CCPC, this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), **Additions to investment tax credit**. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as appropriate.

Part 12 – Current-year credit and account balances – ITC from SR&ED expenditures

ITC at the end of the previous tax year				282,347	12A
Credit deemed as a remittance of co-op corporations	510				
Credit expired	515				
Subtotal (line 510 **plus** line 515)			►		12B
ITC at the beginning of the tax year (amount 12A **minus** amount 12B)			520	282,347	
Credit transferred on an amalgamation or the wind-up of a subsidiary	530				
Total current-year credit (from amount 11G)	540	60,249			
Credit allocated from a partnership	550				
Subtotal (total of lines 530 to 550)		60,249	►	60,249	12C
Total credit available (line 520 **plus** amount 12C)				342,596	12D
Credit deducted from Part I tax	560	259,084			
Credit carried back to previous years (amount 13A)			12E		
Credit transferred to offset Part VII tax liability	580				
Subtotal (total of line 560, amount 12E, and line 580)		259,084	►	259,084	12F
Credit balance before refund (amount 12D **minus** amount 12F)				83,512	12G
Refund of credit claimed on SR&ED expenditures (from Part 14 or 15, whichever applies)			610		
ITC closing balance on SR&ED (amount 12G **minus** line 610)			620	83,512	

Part 13 – Request for carryback of credit from SR&ED expenditures

	Year Month Day			
1st previous tax year		Credit to be applied	911	
2nd previous tax year		Credit to be applied	912	
3rd previous tax year		Credit to be applied	913	

Total of lines 911 to 913 ______ 13A
Enter at amount 12E.

Part 14 – Refund of ITC for qualifying corporations – SR&ED

Complete this part if you are a qualifying corporation as determined on line 101 in Part 2A.[7]

Current-year ITC (lines 540 **plus** 550 in Part 12 **minus** amount 11F)		14A
Refundable credits (amount 14A or amount 12G, whichever is less)		14B
Amount 14B or amount 11A, whichever is less		14C
Net amount (amount 14B **minus** amount 14C; if negative, enter "0")		14D
Amount 14D **multiplied** by 40 %		14E
Amount 14C		14F
Refund of ITC (amount 14E **plus** amount 14F – enter this, or a lesser amount, on line 610 in Part 12)		14G

Include the total of line 310 in Part 5 and line 610 in Part 12 in line 780 of the T2 return.

[7] If you are also an excluded corporation, as determined in Part 2B, amount 14B must be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC for amount 14G.

Part 15 – Refund of ITC for CCPCs that are neither qualifying nor excluded corporations – SR&ED

Complete this part only if you are a CCPC that is not a qualifying corporation as determined on line 101 in Part 2A or an excluded corporation as determined on line 650 in Part 2B.

Credit balance before refund (amount 12G)	83,512	15A
Refund of ITC (amount 15A or amount 11A, whichever is less)		15B

Enter amount 15B, or a lesser amount, on line 610 in Part 12 and also include it in line 780 of the T2 return.

Recapture – SR&ED

Part 16 – Recapture of ITC for corporations and partnerships – SR&ED

You will have a recapture of ITC in a year when **all** of the following conditions are met:

- you acquired a particular property in the current year or in any of the 20 previous tax years, and the credit was earned in a tax year ending after 1997 and did not expire before 2008
- you claimed the cost of the property as a qualified expenditure for SR&ED on Form T661
- the cost of the property was included in calculating your ITC or was the subject of an agreement made under subsection 127(13) to transfer qualified expenditures
- you disposed of the property or converted it to commercial use after February 23, 1998. This condition is also met if you disposed of or converted to commercial use a property that incorporates the particular property previously referred to

Note:

The recapture **does not apply** if you disposed of the property to a non-arm's-length purchaser who intended to use it all or substantially all for SR&ED. When the non-arm's-length purchaser later sells or converts the property to commercial use, the recapture rules will apply to the purchaser based on the historical ITC rate of the original user.

You will report a recapture on the T2 return for the year in which you disposed of the property or converted it to commercial use. In the following tax year, add the amount of the ITC recapture to the SR&ED expenditure pool.

If you have more than one disposition for calculations 1 and 2, complete the columns for each disposition for which a recapture applies, using the calculation formats below.

Calculation 1 – If you meet all of the above conditions

Amount of ITC you originally calculated for the property you acquired, or the original user's ITC where you acquired the property from a non-arm's length party, as described in the **note** above 700	Amount calculated using ITC rate at the date of acquisition (or the original user's date of acquisition) on either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value of the property (in any other case) 710	Amount from column 700 or 710, whichever is less

Subtotal ______ 16A
Enter at amount 17A.

Calculation 2 – Only if you transferred all or a part of the qualified expenditure to another person under an agreement described in subsection 127(13); otherwise, enter nil at amount 16B.

A Rate that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement 720	B Proceeds of disposition of the property if you dispose of it to an arm's length person; or, in any other case, enter the fair market value of the property at conversion or disposition 730	C Amount, if any, already provided for in Calculation 1 (This allows for the situation where only part of the cost of a property is transferred under a subsection 127(13) agreement.) 740	D Amount determined by the formula (A x B) – C	E ITC earned by the transferee for the qualified expenditures that were transferred 750	F Amount from column D or E, whichever is less

Subtotal (total of column F) ______ 16B
Enter at amount 17B.

Calculation 3

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 550 in Part 12. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 760.

Corporate partner's share of the excess of SR&ED ITC **760** ______
Enter at amount 17C.

Part 17 – Total recapture of SR&ED investment tax credit

Recaptured ITC from calculation 1, amount 16A		17A
Recaptured ITC from calculation 2, amount 16B		17B
Recaptured ITC from calculation 3, line 760 in Part 16		17C
Total recapture of SR&ED investment tax credit (total of amounts 17A to 17C)		17D

Enter at amount 25A in Part 25.

Pre-Production Mining

Part 18 – Account balances – ITC from pre-production mining expenditures

ITC at the end of the previous tax year				18A
Credit deemed as a remittance of co-op corporations	841			
Credit expired	845			
Subtotal (line 841 **plus** line 845)			►	18B
ITC at the beginning of the tax year (amount 18A **minus** amount 18B)		850		
Credit transferred on an amalgamation or the wind-up of a subsidiary		860		
Total credit available (line 850 **plus** line 860)				18C
Amount of unused credit carried forward from previous years and applied to reduce Part I tax payable in the current year		885		
ITC closing balance from pre-production mining expenditures (amount 18C **minus** line 885)		890		

Apprenticeship Job Creation

Part 19 – Total current-year credit – ITC from apprenticeship job creation expenditures

If you are a related person as defined under subsection 251(2), has it been agreed in writing that you are the only employer who will be claiming the apprenticeship job creation tax credit for this tax year for each apprentice whose contract number (or social insurance number (SIN) or name) appears below? (If not, you cannot claim the tax credit.) . . . . **611** Yes [X] No [ ]

For each apprentice in their first 24 months of the apprenticeship, enter the apprenticeship contract number registered with Canada, or a province or territory, under an apprenticeship program designed to certify or license individuals in the trade. For the province, the trade must be a Red Seal trade. If there is no contract number, enter the SIN or the name of the eligible apprentice.

	A Contract number (SIN or name of apprentice) 601	B Name of eligible trade 602	C Eligible salary and wages[8] 603	D Column C x 10 % 604	E Lesser of column D or $ 2,000 605
1.	[redacted]	Powerline Technician 434A	154,927	15,493	2,000
2.	[redacted]	Powerline Technician 434A	135,196	13,520	2,000
3.	[redacted]	Metering Technician	21,246	2,125	2,000
4.	[redacted]	Electrical Operator	89,282	8,928	2,000
5.	[redacted]	Substation Electrician	114,639	11,464	2,000
6.	[redacted]	Substation Electrician	118,127	11,813	2,000

Total current-year credit (total of column E) Enter on line 640 in Part 20. 12,000 19A

[8] Other than qualified expenditure incurred, and net of any other government or non-government assistance received or to be received. **Eligible salary and wages**, and **qualified expenditures** are defined under subsection 127(9).

Part 20 – Current-year credit and account balances – ITC from apprenticeship job creation expenditures

ITC at the end of the previous tax year			6,092	20A
Credit deemed as a remittance of co-op corporations	612			
Credit expired after 20 tax years	615			
Subtotal (line 612 **plus** line 615)				20B
ITC at the beginning of the tax year (amount 20A **minus** amount 20B)	625		6,092	
Credit transferred on an amalgamation or the wind-up of a subsidiary	630			
ITC from repayment of assistance	635			
Total current-year credit (amount 19A)	640	12,000		
Credit allocated from a partnership	655			
Subtotal (total of lines 630 to 655)		12,000	12,000	20C
Total credit available (line 625 **plus** amount 20C)			18,092	20D
Credit deducted from Part I tax	660	18,092		
Credit carried back to previous years (amount 21A)		20E		
Subtotal (line 660 **plus** amount 20E)		18,092	18,092	20F
ITC closing balance from apprenticeship job creation expenditures (amount 20D **minus** amount 20F)	690			

Part 21 – Request for carryback of credit from apprenticeship job creation expenditures

	Year Month Day		
1st previous tax year		Credit to be applied 931	
2nd previous tax year		Credit to be applied 932	
3rd previous tax year		Credit to be applied 933	

Total of lines 931 to 933 Enter at amount 20E. 21A

Child Care Spaces

Part 22 – Account balances – ITC from child care spaces expenditures

ITC at the end of the previous tax year				22A
Credit deemed as a remittance of co-op corporations	765			
Credit expired after 20 tax years	770			
Subtotal (line 765 **plus** line 770)			►	22B
ITC at the beginning of the tax year (amount 22A **minus** amount 22B)			775	
Credit transferred on an amalgamation or the wind-up of a subsidiary	777			
Credit allocated from a partnership	782			
Subtotal (line 777 **plus** line 782)			►	22C
Total credit available (line 775 **plus** amount 22C)				22D
Credit deducted from Part I tax			785	
ITC closing balance from child care spaces expenditures (amount 22D **minus** line 785)			790	

Recapture – Child Care Spaces

Part 23 – Recapture of ITC for corporations and partnerships – Child care spaces

The ITC will be added to the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property, one of the following situations takes place:

- the new child care space is no longer available
- property that was an eligible expenditure for the child care space is
  - disposed of or leased to a lessee
  - converted to another use

If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a))			792	
In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:				
The amount that can reasonably be considered to have been included in the original ITC	795			
25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property	797			
Amount from line 795 or line 797, whichever is less				23A

Partnerships

As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 22. However, if the partnership does not have enough ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line 799 below.

Corporate partner's share of the excess of ITC	799		
Total recapture of child care spaces investment tax credit (total of line 792, amount 23A, and line 799)			23B

Enter at amount 25B in Part 25.

Summary of Investment Tax Credits

Part 24 – Clean economy ITCs

Clean hydrogen ITC	140		
Clean technology ITC (from Schedule 75)	155		
Clean technology manufacturing ITC (from Schedule 76)	170		
Carbon capture, utilization, and storage ITC (from Schedule 78)	200		
Clean economy ITCs (total of lines 140 to 200)			24A

Include the total on line 780 of the T2 return.

Part 25 – Total recapture of investment tax credit

Recaptured SR&ED ITC (amount 17D)		25A
Recaptured child care spaces ITC (amount 23B)		25B
Recaptured or recovered clean hydrogen ITC		25C
Recaptured clean technology ITC (from Schedule 75)		25D
Recaptured clean technology manufacturing ITC (from Schedule 76)		25E
Total recapture of investment tax credit (total of amounts 25A to 25E)		25F

Enter on line 602 of the T2 return.

Part 26 – Total ITC deducted from Part I tax

ITC from investments in qualified property deducted from Part I tax (line 260 in Part 5)		26A
ITC from SR&ED expenditures deducted from Part I tax (line 560 in Part 12)	259,084	26B
ITC from pre-production mining expenditures deducted from Part I tax (line 885 in Part 18)		26C
ITC from apprenticeship job creation expenditures deducted from Part I tax (line 660 in Part 20)	18,092	26D
ITC from child care space expenditures deducted from Part I tax (line 785 in Part 22)		26E
Total ITC deducted from Part I tax (total of amounts 26A to 26E)	277,176	26F

Enter on line 652 of the T2 return.

Summary of Investment Tax Credit Carryovers

Continuity of investment tax credit carryovers

CCA class number 99 Cur. or cap. R&D for ITC

Current year

Addition current year (A)	Applied current year (B)	Claimed as a refund (C)	Carried back (D)	ITC end of year (A-B-C-D)
60,249				60,249

Prior years

Taxation year	ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2023-12-31	52,707		29,444	23,263
2022-12-31	51,891		51,891	
2021-12-31	62,444		62,444	
2020-12-31	27,455		27,455	
2019-12-31	59,454		59,454	
2018-12-31	28,396		28,396	
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				*
Total	282,347		259,084	23,263

B+C+D+G **Total ITC utilized** 259,084

* The **ITC end of year** includes the amount of ITC expired from the 20th preceding year. Note that this credit expires at the end of the tax year and any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

Summary of Investment Tax Credit Carryovers

Continuity of investment tax credit carryovers

CCA class number 97 Apprenticeship job creation ITC

Current year

Addition current year (A)	Applied current year (B)	Claimed as a refund (C)	Carried back (D)	ITC end of year (A-B-C-D)
12,000	12,000			

Prior years

Taxation year	ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2023-12-31				
2022-12-31				
2021-12-31				
2020-12-31	6,000		6,000	
2019-12-31	92		92	
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				*
Total	6,092		6,092	

B+C+D+G **Total ITC utilized** 18,092

* The **ITC end of year** includes the amount of ITC expired from the 20th preceding year. Note that this credit expires at the end of the tax year and any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

Canada Revenue Agency / Agence du revenu du Canada

Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than $10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

Reserves that have not been deducted in calculating income for the year under Part I	101	13,274,882		
Capital stock (or members' contributions if incorporated without share capital)	103	45,139,138		
Retained earnings	104	52,804,704		
Contributed surplus	105	876,228		
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	78,907,420		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111			
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112			
Subtotal (**add** lines 101 to 112)		191,002,372 ▶	191,002,372	A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  a) those lines applied to partnerships in the same manner that they apply to corporations, and
  b) those amounts were computed without reference to amounts owing by the partnership
    (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
    (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

Subtotal A (from page 1)		191,002,372 A
Deduct the following amounts:		
Deferred tax debit balance at the end of the year	121	
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122	
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123	
Deferred unrealized foreign exchange losses at the end of the year	124	
Subtotal (**add** lines 121 to 124) ▶		B
Capital for the year (amount A **minus** amount B) (if negative, enter “0”)	190	191,002,372

Part 2 – Investment allowance

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	707,866
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	707,866

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		191,002,372 C
Deduct: Investment allowance for the year (line 490)		707,866 D
Taxable capital for the year (amount C **minus** amount D) (if negative, enter "0")	500	190,294,506

Part 4 – Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500)	190,294,506	x	Taxable income earned in Canada / Taxable income	**610**	1,847,843 / 1,847,843	= **Taxable capital employed in Canada** **690**	190,294,506

Notes: 1. Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2. Where a corporation's taxable income for a tax year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3. In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada . . **701** ______

Deduct the following amounts:

Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada . . . . **711** ______

Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada . . . . **712** ______

Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal or movable property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below) . . . . **713** ______

Total deductions (**add** lines 711, 712, and 713) ______ ► ______ E

Taxable capital employed in Canada (line 701 **minus** amount E) (if negative, enter "0") . . . . **790** ______

Note: Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690)		F
Deduct:	10,000,000	G
Excess (amount F **minus** amount G) (if negative, enter "0")		H
Calculation for purposes of the small business deduction (amount H x 0.225%)		I

Enter this amount at line 415 of the T2 return.

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Schedule 50

Shareholder Information

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.
- Provide only one number (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) 100	Business number or partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "**NR**") 200	Social insurance number (9 digits) 300	Trust number (T followed by 8 digits) 350	Percentage common shares 400	Percentage preferred shares 500
1	Burlington Enterprises Corporation	[redacted]			100.000	
2						
3						
4						
5						
6						
7						
8						
9						
10						

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Schedule 53

General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

On: 2024-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the federal Income Tax Act and Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 Corporation Income Tax Return. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.

Eligibility for the various additions

Answer the following questions to determine the corporation's eligibility for the various additions:

2006 addition

1. Is this the corporation's first taxation year that includes January 1, 2006? ☐ Yes ☒ No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006? Enter the date and go directly to question 4 — 2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA? ☒ Yes ☐ No
   If the answer to question 3 is yes, complete Part "GRIP addition for 2006".

Change in the type of corporation

4. Was the corporation a CCPC during its preceding taxation year? ☒ Yes ☐ No
5. Corporations that become a CCPC or a DIC ☐ Yes ☒ No
   If the answer to question 5 is yes, complete Part 4.

Amalgamation (first year of filing after amalgamation)

6. Corporations that were formed as a result of an amalgamation ☐ Yes ☒ No
   If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC? ☐ Yes ☐ No
   If the answer to question 7 is yes, complete Part 4.
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation? ☐ Yes ☐ No
   If the answer to question 8 is yes, complete Part 3.

Winding-up

9. Has the corporation wound-up a subsidiary in the preceding taxation year? ☐ Yes ☒ No
   If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year? ☐ Yes ☐ No
    If the answer to question 10 is yes, complete Part 4.
11. Was the subsidiary a CCPC or a DIC during its last taxation year? ☐ Yes ☐ No
    If the answer to question 11 is yes, complete Part 3.

Part 1 – General rate income pool (GRIP)

GRIP at the end of the previous tax year			100	35,712,597
Taxable income for the year (DICs enter "0")*	110	1,847,843		
Amount on line 400, 405, 410, or 428 of the T2 return, whichever is the least* 130				
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income* 140				
Subtotal (line 130 **plus** line 140) ▶		A		
Income taxable at the general corporate rate (line 110 **minus** amount A) (if negative enter "0")	150	1,847,843		
After-tax income (line 150 **multiplied** by 0.72 (the general rate factor for the tax year))			190	1,330,447
Eligible dividends received in the tax year	200			
Dividends deductible under section 113 received in the tax year	210			
Subtotal (line 200 **plus** line 210)		▶		B
Becoming a CCPC (amount W5 in Part 4)	220			
Post-amalgamation (total of amount E4 in Part 3 and amount W5 in Part 4)	230			
Post-wind-up (total of amount E4 in Part 3 and amount W5 in Part 4)	240			
Subtotal (**add** lines 220, 230, and 240)	290	▶		
Subtotal (**add** lines 100, 190, 290, and amount B)				37,043,044 C
Eligible dividends paid in the previous tax year	300			
Excessive eligible dividend designations made in the previous tax year	310			
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)				
Subtotal (line 300 **minus** line 310)		▶		D
GRIP before adjustment for specified future tax consequences (amount C **minus** amount D) (amount can be negative)			490	37,043,044
Total GRIP adjustment for specified future tax consequences to previous tax years (amount L3 in Part 2)			560	
GRIP at the end of the tax year (line 490 **minus** line 560)			590	37,043,044

Enter this amount on line 160 of Schedule 55, Part III.1 Tax on Excessive Eligible Dividend Designations.

* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (for example, flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years

Complete this part if the corporation's taxable income of any of the previous three tax years took into account the specified future tax consequences defined in subsection 248(1) from the current tax year. Otherwise, enter "0" on line 560.

First previous tax year 2023-12-31

Taxable income before specified future tax consequences from the current tax year . . . . ________ A1

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 428 of the T2 return, whichever is the least . . . . ________ B1

Aggregate investment income (line 440 of the T2 return) . . . . ________ C1

Subtotal (amount B1 **plus** amount C1) ________ ► ________ D1

Subtotal (amount A1 **minus** amount D1) (if negative, enter "0") ________ ► ________ E1

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ________ F1

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 428 of the T2 return, whichever is the least . . . . ________ G1

Aggregate investment income (line 440 of the T2 return) . . . . ________ H1

Subtotal (amount G1 **plus** amount H1) ________ ► ________ I1

Subtotal (amount F1 **minus** amount I1) (if negative, enter "0") ________ ► ________ J1

Subtotal (amount E1 **minus** amount J1) (if negative, enter "0") ________ K1

GRIP adjustment for specified future tax consequences to the first previous tax year
(amount K1 **multiplied** by 0.72) . . . . **500** ________

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Second previous tax year 2022-12-31

Taxable income before specified future tax consequences from the current tax year A2

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 428 of the T2 return, whichever is the least B2

Aggregate investment income (line 440 of the T2 return) C2

Subtotal (amount B2 **plus** amount C2) ▶ D2

Subtotal (amount A2 **minus** amount D2) (if negative, enter "0") ▶ E2

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences F2

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 428 of the T2 return, whichever is the least G2

Aggregate investment income (line 440 of the T2 return) H2

Subtotal (amount G2 **plus** amount H2) ▶ I2

Subtotal (amount F2 **minus** amount I2) (if negative, enter "0") ▶ J2

Subtotal (amount E2 **minus** amount J2) (if negative, enter "0") K2

GRIP adjustment for specified future tax consequences to the second previous tax year
(amount K2 **multiplied** by 0.72) **520**

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Third previous tax year 2021-12-31

Taxable income before specified future tax consequences from the current tax year . . . . ______ A3

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 428 of the T2 return, whichever is the least . . . . ______ B3

Aggregate investment income (line 440 of the T2 return) . . . . ______ C3

Subtotal (amount B3 **plus** amount C3) ______ ► ______ D3

Subtotal (amount A3 **minus** amount D3) (if negative, enter "0") ______ ► ______ E3

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ______ F3

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 428 of the T2 return, whichever is the least . . . . ______ G3

Aggregate investment income (line 440 of the T2 return) . . . . ______ H3

Subtotal (amount G3 **plus** amount H3) ______ ► ______ I3

Subtotal (amount F3 **minus** amount I3) (if negative, enter "0") ______ ► ______ J3

Subtotal (amount E3 **minus** amount J3) (if negative, enter "0") ______ K3

GRIP adjustment for specified future tax consequences to the third previous tax year
(amount K3 **multiplied by** 0.72) . . . . **540** ______

Total GRIP adjustment for specified future tax consequences to previous tax years:
(**add** lines 500, 520, and 540) (if negative, enter "0") . . . . ______ L3

Enter amount L3 on line 560

Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)

nb. 1 Post amalgamation . . . ☐ Post wind-up . . . . . . ☐

- Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.
- Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.
- Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.
- In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Corporation's GRIP at the end of its last tax year				A4
Eligible dividends paid by the corporation in its last tax year		B4		
Excessive eligible dividend designations made by the corporation in its last tax year		C4		
Subtotal (amount B4 **minus** amount C4)		►		D4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 **minus** amount D4)				E4

After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:

- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

Part 4 – Worksheet to calculate the GRIP addition post-amalgamation, post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC

nb. 1 Corporation becoming a CCPC ☐ Post amalgamation ☐ Post wind-up ☐

- Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary was not a CCPC or a DIC in its last tax year, or when a corporation has become a CCPC since the end of its previous tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.
- Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.
- Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.
- Calculate the GRIP addition of a corporation that became a CCPC since the end of its previous tax year.
- In the calculation below, **corporation** means a predecessor or a subsidiary, or a corporation that became a CCPC since the end of its previous tax year. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was not a CCPC or a DIC in its last year. Keep a copy of this calculation for your records, in case we ask to see it later.

Cost amount to the corporation of all property immediately before the end of its previous/last tax year A5

The corporation's money on hand immediately before the end of its previous/last tax year B5

Total of subsection 111(1) losses that would have been deductible in calculating the corporation's taxable income for the previous/last tax year if the corporation had had unlimited income from each business carried on and each property held and had realized an unlimited amount of capital gains for the previous/last tax year:

Non-capital losses C5
Net capital losses D5
Farm losses E5
Restricted farm losses F5
Limited partnership losses G5

Subtotal (**add** amounts C5 to G5) ▶ H5

Total of all amounts deducted under subsection 111(1) in calculating the corporation's taxable income for the previous/last tax year:

Non-capital losses I5
Net capital losses J5
Farm losses K5
Restricted farm losses L5
Limited partnership losses M5

Subtotal (**add** amounts I5 to M5) ▶ N5

Unused and unexpired losses at the end of the corporation's previous/last tax year (amount H5 **minus** amount N5) ▶ O5

Subtotal (**add** amounts A5, B5, and O5) P5

All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year Q5

Paid-up capital of all the corporation's issued and outstanding shares of capital stock immediately before the end of its previous/last tax year R5

All the corporation's reserves deducted in its previous/last tax year S5

The corporation's capital dividend account immediately before the end of its previous/last tax year T5

The corporation's low rate income pool immediately before the end of its previous/last tax year U5

Subtotal (**add** amounts Q5 to U5) ▶ V5

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC (amount P5 **minus** amount V5) (if negative, enter "0") W5

After you complete this worksheet for each predecessor and each subsidiary, calculate the total of all the W5 amounts. Enter this total amount on:

- line 220 for a corporation becoming a CCPC;
- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

Do not use this area

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

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

Taxable dividends paid in the tax year **not included** in Schedule 3				
Taxable dividends paid in the tax year **included** in Schedule 3		2,075,409		
Total taxable dividends paid in the tax year	100	2,075,409		
Total eligible dividends paid in the tax year	150			
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")	160		37,043,044	
Excessive eligible dividend designation (line 150 **minus** line 160)				A
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	180			
Subtotal (amount A **minus** line 180)				B
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount B **multiplied** by 20 %)	190			

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

Part 2 – Other corporations

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

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

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

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Schedule 500

Ontario Corporation Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

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

Part 1 – Ontario basic income tax

Ontario taxable income **(Note 1)**	1,847,843	1A
Ontario basic rate of tax for the year	**11.5 %**	1B
Ontario basic income tax (amount 1A **multiplied** by amount 1B) **(Note 2)**	212,502	1C

Note 1: If your corporation had a permanent establishment only in Ontario, enter the amount from line 360, from page 3 of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.

Note 2: If your corporation had a permanent establishment in more than one jurisdiction or is claiming an Ontario tax credit in addition to Ontario basic income tax, Ontario corporate minimum tax, or Ontario special additional tax on life insurance corporations payable, enter amount 1C on line 270 of Schedule 5, Tax Calculation Supplementary – Corporations. Otherwise, enter it on line 760 of the T2 return.

Part 2 – Ontario small business deduction (OSBD)

Complete this part if your corporation claimed the federal small business deduction under subsection 125(1).

Line 400 of the T2 return	5,999,006	2A
Line 405 of the T2 return	1,847,843	2B
Line 410 of the T2 return	500,000	2C
Line 415 of the T2 return	402,591	2D

Business limit reduction for tax years starting before April 7, 2022

Amount 2C ______ x Amount 2D ______ / 11,250 = ______ 2E

Business limit reduction for tax years starting after April 6, 2022

Amount 2C 500,000 x Amount 2D 402,591 / 90,000 = 2,236,617 2F

Amount 2E or amount 2F, whichever applies	2,236,617	2G
Line 515 of the T2 return		2H
Subtotal (amount 2C **minus** amount 2G **minus** amount 2H)		2I
Amount 2A, 2B or 2I whichever is the least		2J

Ontario domestic factor (ODF): Taxable income for Ontario **(Note 3)** 1,847,843.00 / Taxable income for all provinces **(Note 4)** 1,847,843 = 1.00000 2K

Amount 2J **multiplied** by amount 2K		2L
Ontario taxable income (amount 1A)	1,847,843	2M
Ontario small business income (amount 2L or 2M, whichever is less)		2N

Ontario small business deduction for the year

Amount 2N ______ x 8.3 % = ______ 2O

Enter Ontario small business deduction for the year (amount 2O) on line 402 of Schedule 5.

Note 3: Enter amount 1A.

Note 4: Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 3 – Ontario adjusted small business income

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

Ontario adjusted small business income (amount 1A or 2J, whichever is the least) . . . . ______ 3A

Enter amount 3A at amount 4B in Part 4 of this schedule or at amount 2E in Part 2 of Schedule 502, Ontario Tax Credit for Manufacturing and Processing, whichever applies.

Part 4 – Credit union tax reduction

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

Amount 2C of Schedule 17 . . . . ______ 4A

Ontario adjusted small business income (amount 3A) . . . . ______ 4B

Subtotal (amount 4A **minus** amount 4B) (if negative, enter "0") ______ ▶ ______ 4C

Amount 4C ______ x 8.3 % = ... ______ 4D

Ontario domestic factor (amount 2K) 1.00000 4E

Ontario credit union tax reduction (amount 4D **multiplied** by amount 4E) . . . . ______ 4F

Enter amount 4F on line 410 of Schedule 5.

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Schedule 508

Ontario Research and Development Tax Credit

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- Use this schedule to:
  - calculate an Ontario research and development tax credit (ORDTC);
  - claim an ORDTC earned in the tax year or carried forward from any of the 20 previous tax years that are a tax year ending after December 31, 2008, to reduce Ontario corporate income tax payable in the current tax year;
  - carry back an ORDTC earned in the tax year to reduce Ontario corporate income tax payable in any of the three previous tax years;
  - add an ORDTC that was allocated to the corporation by a partnership of which it was a member;
  - add an ORDTC transferred after an amalgamation or windup; or
  - calculate a recapture of the ORDTC.
- The ORDTC is a non-refundable tax credit on eligible expenditures incurred by a corporation in a tax year. The ORDTC rate is:
  - 4.5% for tax years that end before June 1, 2016;
  - 3.5% for tax years that start after May 31, 2016; and
  - prorated for a tax year that ends on or after June 1, 2016, and includes May 31, 2016.
- An eligible expenditure is an expenditure for a permanent establishment in Ontario of a corporation, that is a qualified expenditure for the purposes of section 127 of the federal *Income Tax Act* for scientific research and experimental development (SR&ED) carried on in Ontario.
- Only corporations that are not exempt from Ontario corporate income tax and none of whose income is exempt income can claim the ORDTC.
- Complete and attach this schedule to the *T2 Corporation Income Tax Return* for the tax year.
- To claim this credit, you must also send in completed copies of the Form T661, *Scientific Research and Experimental Development (SR&ED) Expenditures Claim*, and the Schedule 31, *Investment Tax Credit - Corporations*, within 18 months of the tax year end.

Part 1 – Ontario SR&ED expenditure pool

	Line	Amount			
Total eligible expenditures incurred by the corporation in Ontario in the tax year	100	416,827	A		
Government assistance, non-government assistance, or a contract payment for eligible expenditures	105	602	B		
Net eligible expenditures for the tax year (amount A **minus** amount B) (if negative, enter "0")		416,225	C		
Eligible expenditures transferred to the corporation by another corporation	110		D		
Subtotal (amount C **plus** amount D)		416,225	▶	416,225	E
Eligible expenditures the corporation transferred to another corporation			115		F
Ontario SR&ED expenditure pool (amount E **minus** amount F) (if negative, enter "0")			120	416,225	G

Part 2 – Eligible repayments

The repayment of the ORDTC is calculated using the ORDTC rate that you used to determine your tax credit at the time your eligible expenditures were reduced because of the government or non-government assistance, or contract payments. Enter the amount of the repayment on the line that corresponds to the appropriate rate.

Repayments for tax years that end before June 1, 2016 . . . . 210 ______ x 4.5 % = 215 ______ H

Repayment for a tax year that ends on or after June 1, 2016 and includes May 31, 2016. Complete the proration calculation below.

Number of days in the tax year before June 1, 2016 (240) 152 / Number of days in the tax year (241) 366 x 4.5 % = 1.8689 % 1

Number of days in the tax year after May 31, 2016 (242) 214 / Number of days in the tax year (243) 366 x 3.5 % = 2.0464 % 2

Subtotal (percentage 1 **plus** percentage 2) 3.9153 % 3

Repayments for a tax year that ends on or after June 1, 2016 and includes May 31, 2016 . . . . . . 211 ______ x percentage 3 3.9153 % = 216 ______ I

Part 2 – Eligible repayments (continued)

Repayments for tax years that start after May 31, 2016	212			x	3.5 %	= 217		J
Repayments made in the tax year of government or non-government assistance or contract payments that reduced eligible expenditures for first term or second term shared-use equipment acquired before 2014	220	x 1 / 4	=	x	4.5 %	= 225		K
Eligible repayments (total of amounts H to K)						229		L

Part 3 – Calculation of the current part of the ORDTC

For tax years that end before June 1, 2016

Ontario SR&ED expenditure pool (amount G in Part 1)		x	4.5 %	= 200		M
ORDTC allocated to the corporation by a partnership of which it is a member (other than a specified member) for a fiscal period that ends in the corporation's tax year *				205		N
Eligible repayments (amount L in Part 2)						O
Current part of the ORDTC for tax years that end before June 1, 2016 (total of amounts M to O)				230		P

For a tax year that ends on or after June 1, 2016, and includes May 31, 2016

Number of days in the tax year before June 1, 2016 / Number of days in the tax year		x	4.5 %	=	% 4
Number of days in the tax year after May 31, 2016 / Number of days in the tax year		x	3.5 %	=	% 5
Subtotal (percentage 4 **plus** percentage 5)					% 6

Ontario SR&ED expenditure pool (amount G in Part 1)		x	percentage 6	%	= 201		Q
ORDTC allocated to the corporation by a partnership of which it is a member (other than a specified member) for a fiscal period that ends in the corporation's tax year *					206		R
Eligible repayments (amount L in Part 2)							S
Part of the ORDTC for a tax year that ends on or after June 1, 2016, and includes May 31, 2016 (total of amounts Q to S)					231		T

For tax years that start after May 31, 2016

Ontario SR&ED expenditure pool (amount G in Part 1)	416,225	x	3.5 %	= 202	14,568	U
ORDTC allocated to the corporation by a partnership of which it is a member (other than a specified member) for a fiscal period that ends in the corporation's tax year *				207		V
Eligible repayments (amount L in Part 2)						W
The ORDTC for tax years that start after May 31, 2016 (total of amounts U to W)				232	14,568	X

* If there is a disposal or change of use of eligible property, see Part 7 on page 4.

Part 4 – Calculation of ORDTC available for deduction and ORDTC balance

ORDTC balance at the end of the previous tax year			47,028 Y	
ORDTC expired after 20 tax years		300	Z	
ORDTC at the beginning of the tax year (amount Y **minus** amount Z)		305	47,028 AA	
ORDTC transferred to the corporation on amalgamation or windup		310	BB	
Current part of ORDTC (amount P, T or X in Part 3 whichever applies)	14,568 CC			

Are you waiving all or part of the current part of the ORDTC? 315 Yes 1 ☐ No 2 ☒

If you answered **yes** at line 315, enter the amount of the tax credit waived on line 320.

If you answered **no** at line 315, enter "0" on line 320.

Waiver of the current part of the ORDTC	320	DD		
Subtotal (amount CC **minus** amount DD)		14,568 ▶	14,568 EE	
ORDTC available for deduction (total of amounts AA, BB and EE)			61,596 ▶	61,596 FF
ORDTC claimed ** (Enter amount GG on line 416 on page 5 of Schedule 5, *Tax Calculation Supplementary – Corporations*)			61,596 GG	
ORDTC carried back to previous tax years (from Part 5)			HH	
Subtotal (amount GG **plus** amount HH)			61,596 ▶	61,596 II
ORDTC balance at the end of the tax year (amount FF **minus** amount II)			325	JJ

** This amount cannot be more than the lesser of the following amounts:
– ORDTC available for deduction (amount FF); or
– Ontario corporate income tax payable before the ORDTC and the Ontario corporate minimum tax credit (amount from line E6 on page 5 of Schedule 5).

Part 5 – Request for carryback of tax credit

	Year Month Day			
1st previous tax year	2023-12-31	Credit to be applied	901	
2nd previous tax year	2022-12-31	Credit to be applied	902	
3rd previous tax year	2021-12-31	Credit to be applied	903	

Total (total of amount 901 to 903)(enter at amount HH in Part 4)

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

You can complete this part to show all the credits from previous tax years available for carryforward, by year of origin. This will help you determine the amount of credit that could expire in following years.

Tax year of origin (earliest tax year first) Year / Month / Day	Credit available
2004-12-31	
2005-12-31	
2006-12-31	
2007-12-31	
2008-12-31	
2009-12-31	
2010-12-31	
2011-12-31	
2012-12-31	
2013-12-31	

	Tax year of origin (earliest tax year first) Year / Month / Day	Credit available
	2014-12-31	
	2015-12-31	
	2016-12-31	
	2017-12-31	
	2018-12-31	
	2019-12-31	
	2020-12-31	
	2021-12-31	
	2022-12-31	
	2023-12-31	
Current tax year	2024-12-31	

Total (equals line 325 in Part 4)

The amount available from the 20th previous tax year will expire after this year. When you file your return for the next year, you will enter the expired amount on line 300 of Schedule 508 for that year.

Part 7 – Calculation of a recapture of ORDTC

You will have a recapture of ORDTC in a tax year when you meet **all** of the following conditions:

- you acquired a particular property in the current year or in any of the 20 previous tax years if the ORDTC was earned in a tax year ending after 2008;
- you claimed the cost of the property as an eligible expenditure for the ORDTC;
- the cost of the property was included in computing your ORDTC or was subject to an agreement made under subsection 127(13) of the federal Act to transfer qualified expenditures and section 42 of the *Taxation Act, 2007* (Ontario) applied; and
- you disposed of the property or converted it to commercial use in a tax year ending after December 31, 2008. You also meet this condition if you disposed of or converted to commercial use a property which incorporates the particular property previously referred to.

Note: The recapture **does not apply** if you disposed of the property to a non-arm's length purchaser who intended to use it all or substantially all for SR&ED in Ontario. When the non-arm's length purchaser later sells or converts the property to commercial use, the recapture rules will apply to the purchaser based on the historical federal investment tax credit (ITC) rate ******* of the original user in Calculation 1 below.

You have to report the recapture on Schedule 5 for the year in which you disposed of the property or converted it to commercial use. If the corporation is a member of a partnership, report its share of the recapture.

Complete the columns for each disposition for which a recapture applies, using the calculation formats below.

*** Federal ITC in calculations 1 and 2 should be determined without reference to paragraph (e) of the definition **investment tax credit** in subsection 127(9) of the federal Act.

Calculation 1 – Complete this part If you meet all of the above conditions

	KK Amount of federal ITC you originally calculated for the property you acquired, or the original user's federal ITC where you acquired the property from a non-arm's length party, as described in the note above 700	LL Amount calculated using the federal ITC rate at the date of acquisition (or the original user's date of acquisition) on either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value of the property (in any other case) 710	MM Amount from column 700 or 710, whichever is less
1.			

Total of column MM (enter at amount WW in Part 8) NN

Part 7 – Calculation of a recapture of ORDTC (continued)

Calculation 2 – If the corporation is deemed by subsection 42(1) of the *Taxation Act, 2007* (Ontario) to have transferred all or part of the eligible expenditure to another corporation as a consequence of an agreement described in subsection 127(13) of the federal Act complete Calculation 2. Otherwise, enter nil on line SS.

	OO Rate percentage that the transferee used to determine its federal ITC for qualified expenditure that was transferred under an agreement under subsection 127(13) of the federal Act 720	PP Proceeds of disposition of the property if you dispose of it to a person at arm's length; or, in any other case, the fair market value of the property at conversion or disposition 730	QQ Amount, if any, already provided for in Calculation 1 (this allows for the situation where only part of the cost of a property is transferred for an agreement under subsection 127(13) of the federal Act) 740
1.			

	RR Amount determined by the formula (OO x PP) - QQ (using the columns above)	SS Federal ITC earned by the transferee for the qualified expenditure that was transferred 750	TT Amount from column RR or SS, whichever is less
1.			

Total of column TT (enter at amount XX in Part 8) ____ UU

Calculation 3

As a member of a partnership, you will report your share of the ORDTC of the partnership after the ORDTC has been reduced by the amount of the recapture. If this is a positive amount, you will report it on line 205, 206, or 207 in Part 3, whichever applies. However, if the partnership does not have enough ORDTC otherwise available to offset the recapture, then the amount by which reductions to the ORDTC exceeds additions (the excess) will be determined and reported on line VV.

Corporate partner's share of the excess of ORDTC (enter at amount ZZ in Part 8) . . . . 760 ____ VV

Part 8 – Total recapture of ORDTC

Recaptured federal ITC for Calculation 1 (amount NN from Part 7) . . . . ____ WW

Recaptured federal ITC for Calculation 2 (amount UU from Part 7) . . . . ____ XX

Amount WW **plus** amount XX . . . . ____ x 23.56 % = ____ YY

Corporate partner's share of the excess of ORDTC for Calculation 3 (amount VV from Part 7) . . . . ____ ZZ

Recapture of ORDTC (amount YY **plus** amount ZZ) (enter amount AAA on line 277 on page 5 of Schedule 5) . . . . ____ AAA

Schedule A - Worksheet for eligible expenditures incurred by the corporation in Ontario for the current taxation year

This worksheet allows you to report the amount of eligible expenditures entered on Form T661, *Scientific Research and Experimental Development (SR&ED) Expenditures Claim* which represents eligible expenditures as defined in section 127 of the *Income Tax Act* (ITA) with regard to scientific research and experimental development (SR&ED) **carried on in Ontario and attributable to a permanent establishment in Ontario of a corporation**.

Data on the worksheet is calculated based on the amounts on Form T661, but will have to be adjusted according to the rules of Ontario, if applicable, in particular when the corporation has had a permanent establishment in more than one jurisdiction. This data will be used when calculating Schedule 508 and Schedule 566.

Total expenditures for SR&ED		412,651	
Add			
• payment of prior years' unpaid expenses (other than salary or wages)	+		
• prescribed proxy amount (Enter "0" if you use the traditional method)	+	62,514	
• other additions	+		
Subtotal	=	475,165	
Less			
• current expenditures (other than salary or wages) not paid within 180 days of the tax year end	–		
• amounts paid in respect of an SR&ED contract to a person or partnership that is not taxable supplier	–		
• 20% of contract expenditures for SR&ED performed on your behalf	–	58,338	
• prescribed expenditures not allowed by regulations	–		
• other deductions	–		
• non-arm's length transactions			
– expenditures for non-arm's length SR&ED contracts	–		
– purchases (limited to costs) of goods and services from non-arm's length suppliers	–		
Total	=	416,827	I

Enter amount I on line 100 of Schedule 508.

Canada Revenue Agency / Agence du revenu du Canada

Schedule 510

Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

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

Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	317,535,005
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	101,468,480
Total assets (total of lines 112 to 116)		419,003,485
Total revenue of the corporation for the tax year **	142	251,445,719
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	105,116,633
Total revenue (total of lines 142 to 146)		356,562,352

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

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

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

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

Part 2 – Adjusted net income/loss for CMT purposes

Net income/loss per financial statements *			210	6,222,723	
Add (to the extent reflected in income/loss):					
Provision for current income taxes/cost of current income taxes	220	386,177			
Provision for deferred income taxes (debits)/cost of future income taxes	222	1,271,103			
Equity losses from corporations	224				
Financial statement loss from partnerships and joint ventures	226				
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230				
Other additions (see note below):					
Share of adjusted net income of partnerships and joint ventures **	228				
Total patronage dividends received, not already included in net income/loss	232				
281	282				
283	284				
Subtotal		1,657,280 ▶		1,657,280	A
Deduct (to the extent reflected in income/loss):					
Provision for recovery of current income taxes/benefit of current income taxes	320				
Provision for deferred income taxes (credits)/benefit of future income taxes	322				
Equity income from corporations	324				
Financial statement income from partnerships and joint ventures	326				
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330				
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332				
Gain on donation of listed security or ecological gift	340				
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342				
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344				
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346				
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348				
Other deductions (see note below):					
Share of adjusted net loss of partnerships and joint ventures **	328				
Tax payable on dividends under subsection 191.1(1) of the federal Act **multiplied** by 3	334				
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336				
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338				
381 Tax recovery in net movements in regulatory	382	1,476,342			
383	384				
385	386				
387	388				
389	390				
Subtotal		1,476,342 ▶		1,476,342	B
Adjusted net income/loss for CMT purposes (line 210 **plus** amount A **minus** amount B)			490	6,403,661	

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

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

Note

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

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

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

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

* **Rules for net income/loss**

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

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

– Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.

– Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.

– Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.

** The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.

*** A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.

**** A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.

***** A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.

Part 3 – CMT payable

Adjusted net income for CMT purposes (line 490 in Part 2, if positive)		515	6,403,661	
Deduct:				
CMT loss available (amount R from Part 7)				
Minus: Adjustment for an acquisition of control *	518			
Adjusted CMT loss available		▶		C
Net income subject to CMT calculation (if negative, enter "0")		520	6,403,661	

Amount from line 520: 6,403,661 x (Number of days in the tax year before July 1, 2010 / Number of days in the tax year: 366) x 4 % = ______ 1

Amount from line 520: 6,403,661 x (Number of days in the tax year after June 30, 2010: 366 / Number of days in the tax year: 366) x 2.7 % = 172,899 2

Subtotal (amount 1 **plus** amount 2) 172,899 3

Gross CMT: amount on line 3 above x OAF **	540	172,899	
Deduct:			
Foreign tax credit for CMT purposes ***	550		
CMT after foreign tax credit deduction (line 540 **minus** line 550) (if negative, enter "0")		172,899	D
Deduct:			
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		150,906	
Net CMT payable (if negative, enter "0")		21,993	E

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

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

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

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

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

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

Ontario taxable income **** / Taxable income ***** ______ = ______

Ontario allocation factor 1.00000 F

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

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

Part 4 – Calculation of CMT credit carryforward

CMT credit carryforward at the end of the previous tax year *	944,421	G		
Deduct:				
CMT credit expired * **600**				
CMT credit carryforward at the beginning of the current tax year * (see note below)	944,421	▶ **620**	944,421	
Add:				
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)		**650**		
CMT credit available for the tax year (amount on line 620 **plus** amount on line 650)			944,421	H
Deduct:				
CMT credit deducted in the current tax year (amount P from Part 5)				I
Subtotal (amount H **minus** amount I)			944,421	J
Add:				
Net CMT payable (amount E from Part 3)	21,993			
SAT payable (amount O from Part 6 of Schedule 512)				
Subtotal	21,993	▶	21,993	K
CMT credit carryforward at the end of the tax year (amount J **plus** amount K)		**670**	966,414	L

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

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

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

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

CMT credit available for the tax year (amount H from Part 4)				944,421	M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		150,906	1		
For a corporation that is not a life insurance corporation:					
CMT after foreign tax credit deduction (amount D from Part 3)	172,899	2			
For a life insurance corporation:					
Gross CMT (line 540 from Part 3)		3			
Gross SAT (line 460 from Part 6 of Schedule 512)		4			
The **greater** of amounts 3 and 4		5			
Deduct: line 2 or line 5, whichever applies:		172,899	6		
Subtotal (if negative, enter "0")			▶		N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		150,906			
Deduct:					
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 **minus** line 450 from Schedule 5)		38,518			
Subtotal (if negative, enter "0")		112,388	▶	112,388	O
CMT credit deducted in the current tax year (least of amounts M, N, and O)					P

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

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

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

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

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

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

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

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

Part 7 – Calculation of CMT loss carryforward

CMT loss carryforward at the end of the previous tax year * . . . . ______ Q

Deduct:

CMT loss expired * . . . . 700 ______

CMT loss carryforward at the beginning of the tax year * (see note below) . . . . ______ ► 720 ______

Add:

CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below) . . . . 750 ______

CMT loss available (line 720 **plus** line 750) . . . . ______ R

Deduct:

CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3) . . . . ______

Subtotal (if negative, enter "0") ______ S

Add:

Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if **negative**) (enter as a positive amount) . . . . 760 ______

CMT loss carryforward balance at the end of the tax year (amount S **plus** line 760) . . . . 770 ______ T

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

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

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

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

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

Complete this part if:

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

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

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

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

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

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SCHEDULE 511

ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the *T2 Corporation Income Tax Return.*

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
1	Burlington Electricity Services Inc.	[redacted]	4,258,481	2,576,591
2	Burlington Enterprises Corporation	[redacted]	47,209,999	2,540,042
3	The City of Burlington	NR	50,000,000	100,000,000
		Total	450 101,468,480	550 105,116,633

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, *Ontario Corporate Minimum Tax*.
Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

Note 1: Enter ¨NR¨ if a corporation is not registered.

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

* **Rules for total assets**

- Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

** **Rules for total revenue**

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of those tax years by 365 and **divide** by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, **multiply** the associated corporation's total revenue by 365 and **divide** by the number of days in the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.

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SCHEDULE 550

ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
BURLINGTON HYDRO INC.	[redacted]	2024-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the *Taxation Act, 2007* (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for a qualifying work placement. The maximum credit amount is $1,000 for each qualifying work placement ending before March 27, 2009, and $3,000 for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
  - the student performs employment duties for a corporation under a qualifying co-operative education program (QCEP);
  - the WP has been developed or approved by an eligible educational institution as a suitable learning situation;
  - the terms of the WP require the student to engage in productive work;
  - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
  - the student is paid for the work performed in the WP;
  - the corporation is required to supervise and evaluate the job performance of the student in the WP;
  - the institution monitors the student's performance in the WP; and
  - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the *T2 Corporation Income Tax Return*.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Corporate information

110 Name of person to contact for more information	120 Telephone number including area code
SALMAN MOIN	(905) 332-1851

Is the claim filed for a CETC earned through a partnership?* . . . . . **150** 1 Yes [ ] 2 No [X]

If you answered **yes** to the question at line 150, what is the name of the partnership? . . . . . **160** ______

Enter the percentage of the partnership's CETC allocated to the corporation . . . . . **170** ______ %

* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 550 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 550 to claim the partner's share of the partnership's CETC. The allocated amounts can not exceed the amount of the partnership's CETC.

Part 2 – Eligibility

1. Did the corporation have a permanent establishment in Ontario in the tax year? . . . . . **200** 1 Yes [X] 2 No [ ]
2. Was the corporation exempt from tax under Part III of the *Taxation Act*, 2007 (Ontario)? . . . . . **210** 1 Yes [ ] 2 No [X]

If you answered **no** to question 1 or **yes** to question 2, then the corporation is **not eligible** for the CETC.

Part 3 – Eligible percentage for determining the eligible amount

Corporation's salaries and wages paid in the previous tax year * **300** 12,062,000

For eligible expenditures incurred before March 27, 2009:

- If line 300 is $400,000 or less, enter 15% on line 310.
- If line 300 is $600,000 or more, enter 10% on line 310.
- If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 310 using the following formula:

Eligible percentage = 15 % – [5 % x (amount on line 300 **minus** $ 400,000) / $ 200,000]

Eligible percentage for determining the eligible amount . . . . **310** 10.000 %

For eligible expenditures incurred after March 26, 2009:

- If line 300 is $400,000 or less, enter 30% on line 312.
- If line 300 is $600,000 or more, enter 25% on line 312.
- If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 312 using the following formula:

Eligible percentage = 30 % – [5 % x (amount on line 300 **minus** $ 400,000) / $ 200,000]

Eligible percentage for determining the eligible amount . . . . **312** 25.000 %

* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act, 2007* (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

	A Name of university, college, or other eligible educational institution 400	B Name of qualifying co-operative education program 405
1.	Conestoga College	Powerline Technician Co-op 434A (0736C)
2.	St. Clair College	Electrical Engineering Technology Diploma
3.	St. Clair College	Electrical Engineering Technology Diploma
4.	St. Clair College	Electrical Engineering Technology Diploma
5.	McMaster University	Power & Energy Engineering Technology
6.	Mohawk College	Advanced Diploma in Electrical Engineering
7.	Mohawk College	Advanced Diploma in Electrical Engineering
8.	Conestoga College	Powerline Technician Co-op 434A (0736C)
9.	Mohawk College	Electrical Engineering Technology 582
10.	University of Guelph	Accounting Co-op Student - Bachelor of Commerce, Ma
11.	University of Guelph	Accounting Co-op Student - Bachelor of Commerce, Ma
12.	Conestoga College	Powerline Technician Co-op 434A (0736C)
13.	Conestoga College	Advanced Diploma in Electrical Engineering Technology

	C Name of student 410	D Start date of WP (see note 1 below) 430	E End date of WP (see note 2 below) 435
1.	[redacted]	2024-01-02	2024-05-08
2.	[redacted]	2024-01-08	2024-05-08
3.	[redacted]	2024-05-09	2024-09-09

	C Name of student 410	D Start date of WP (see note 1 below) 430	E End date of WP (see note 2 below) 435
4.	[redacted]	2024-09-10	2024-12-20
5.	[redacted]	2024-05-07	2024-08-29
6.	[redacted]	2024-05-06	2024-09-06
7.	[redacted]	2024-09-10	2024-12-20
8.	[redacted]	2024-05-06	2024-08-30
9.	[redacted]	2024-05-06	2024-08-29
10.	[redacted]	2024-05-06	2024-09-06
11.	[redacted]	2024-09-07	2024-12-20
12.	[redacted]	2024-09-23	2024-12-20
13.	[redacted]	2024-09-23	2024-12-31

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

Part 4 – Calculation of the Ontario co-operative education tax credit (continued)

	F1 Eligible expenditures before March 27, 2009 (see note 1 below) 450	Eligible percentage before March 27, 2009 (from line 310 in Part 3)	F2 Eligible expenditures after March 26, 2009 (see note 1 below) 452	Eligible percentage after March 26, 2009 (from line 310a in Part 3)	X Number of consecutive weeks of the WP completed by the student before March 27, 2009 (see note 3 below)	Y Total number of consecutive weeks of the student's WP (see note 3 below)
1.		10.000 %	17,031	25.000 %		17
2.		10.000 %	13,119	25.000 %		17
3.		10.000 %	13,445	25.000 %		17
4.		10.000 %	11,168	25.000 %		14
5.		10.000 %	13,152	25.000 %		15
6.		10.000 %	14,714	25.000 %		18
7.		10.000 %	12,681	25.000 %		14
8.		10.000 %	15,036	25.000 %		17
9.		10.000 %	14,968	25.000 %		16
10.		10.000 %	14,419	25.000 %		18
11.		10.000 %	12,426	25.000 %		15
12.		10.000 %	11,551	25.000 %		13
13.		10.000 %	11,350	25.000 %		14

	G Eligible amount (eligible expenditures **multiplied** by eligible percentage) (see note 2 below) 460	H Maximum CETC per WP (see note 3 below) 462	I CETC on eligible expenditures (column G or H, whichever is less) 470	J CETC on repayment of government assistance (see note 4 below) 480	K CETC for each WP (column I or column J) 490
1.	4,258	3,000	3,000		3,000
2.	3,280	3,000	3,000		3,000
3.	3,361	3,000	3,000		3,000
4.	2,792	3,000	2,792		2,792
5.	3,288	3,000	3,000		3,000
6.	3,679	3,000	3,000		3,000
7.	3,170	3,000	3,000		3,000
8.	3,759	3,000	3,000		3,000
9.	3,742	3,000	3,000		3,000
10.	3,605	3,000	3,000		3,000
11.	3,107	3,000	3,000		3,000
12.	2,888	3,000	2,888		2,888
13.	2,838	3,000	2,838		2,838

Ontario co-operative education tax credit (total of amounts in column K) 500 38,518 L or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L:

Amount L ______ x percentage on line 170 in Part 1 ______ % = ... ______ **M**

Enter amount L or M, whichever applies, on line 452 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

Note 2: Calculate the eligible amount (Column G) using the following formula:

Column G = (column F1 x percentage on line 310) + (column F2 x percentage on line 312)

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is $1,000.
If the WP begins after March 26, 2009, the maximum credit amount for the WP is $3,000.
If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

($1,000 x X/Y) + [$3,000 x (Y – X)/Y]

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009, and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a **separate entry** for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received.
Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.