

Exhibit 6:

Revenue Requirement and Revenue Deficiency or Sufficiency Interrogatory Responses



TABLE OF CONTENTS

EXHIBIT 6 – REVENUE REQUIREMENT AND REVENUE DEFICIENCY OR SUFFICIENCY INTERROGATORY RESPONSES	3
6-VECC/CCC/CCMBC-190	3
Oshawa Power Response	3
6-STAFF/CCMBC-191	7
Oshawa Power Response	7
6-SEC-192	7
Oshawa Power Response	7
6-STAFF-193	7
Oshawa Power Response	8
6-SEC-194	10
Oshawa Power Response	10

TABLES

IRR Table 6-1: Revised Table 6-13 Other Revenue.....	4
IRR Table 6-2: 2023 Account 4210 Pole and Duct Rental	4
IRR Table 6-3: 2024 Account 4210 Pole and Duct Rental	5
IRR Table 6-4: 2025 Account 4210 Pole and Duct Rental	5
IRR Table 6-5: 2026 Account 4210 Pole and Duct Rental	6
IRR Table 6-6: Adjusted Taxable Income – Historical Year	9
IRR Table 6-7: 2020-2025 Base Rate Rules vs CCA Claim.....	10

ATTACHMENTS

Attachment 6-1: 2024 Corporate Tax Return

Exhibit 6 – Revenue Requirement and Revenue Deficiency or Sufficiency Interrogatory Responses

6-VECC/CCC/CCMBC-190

Ref. 1: Chapter 2 Appendix 2-H

Ref. 2: Exhibit 6, pp. 20-22

Question(s):

- a) Please provide a revised version of Table 6-13 (Updated Exhibit) that also includes: i) actual year to date values for 2025 by account and ii) actual 2024 values by account for the same months.
- b) For Account 4210, please provide the basis (i.e. #units/poles and rate per unit/pole) for the 2023, 2024, 2025 and 2026 charges for each of i) Joint Use Pole Rental – OPUCS, ii) Duct Fibre Optic Rental – OPUCS, and iii) Pole & Duct Fibre Rental - Non-Affiliates.
- c) Appendix 2-H provides a breakdown for Account 4235. What is included in Retail Charges?
- d) Please explain the methodology applied to forecast miscellaneous income (account 4390) for 2026 with reference to the higher levels of income recorded on an actual basis in the historical period (2021-2024).
- e) Please explain the methodology applied to forecast interest & dividend income for 2026.

Oshawa Power Response

- a) Revised Table 6-13 that includes: i) actual year to date values for January to June 2025 by account and ii) actual 2024 values by account for the same months is provided below.

IRR Table 6-1: Revised Table 6-13 Other Revenue

USoA #	U SoA Description	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Bridge Year	2026 Test Year	2024 Actual (Jan - June)	2025 Actual (Jan - June)
4084	Service Transaction Requests (STR) Revenues	(\$323)	(\$335)	(\$301)	(\$557)	-	-	(\$128)	(\$155)
4086	SSS Administration Revenue	(\$197,555)	(\$176,374)	(\$177,325)	(\$181,186)	(\$190,549)	(\$193,629)	(\$71,078)	(\$74,685)
4210	Rent from Electric Property	(\$386,841)	(\$392,024)	(\$407,058)	(\$410,723)	(\$402,135)	(\$371,438)	(\$197,253)	(\$201,079)
4225	Late Payment Charges	(\$275,233)	(\$431,812)	(\$485,496)	(\$525,619)	(\$413,700)	(\$416,050)	(\$309,768)	(\$454,054)
4235	Miscellaneous Service Revenues	(\$740,012)	(\$474,807)	(\$656,866)	(\$540,230)	(\$409,142)	(\$411,491)	(\$181,310)	(\$213,011)
4245	Government and Other Assistance Directly Credited to Income	(\$1,196,433)	(\$1,288,832)	(\$1,288,519)	(\$1,399,017)	(\$1,498,881)	(\$1,586,840)	(\$688,726)	(\$742,589)
4305	Regulatory Debits	-	-	-	\$358,887	\$371,269	-	-	177,504.00
4325	Revenues from Merchandise	(\$412,824)	(\$393,805)	(\$1,212,719)	(\$116,201)	(\$240,000)	(\$240,000)	(\$55,549)	(\$125,365)
4330	Costs and Expenses of Merchandising	\$407,511	\$357,198	\$1,001,559	\$91,747	\$230,000	\$230,000	\$12,412	\$122,131
4355	Gain on Disposition of Utility and Other Property	(\$36,568)	(\$8,628)	(\$141,010)	(\$40,000)	-	(\$57,911)	\$0	\$0
4360	Loss on Disposition of Utility and Other Property	\$300,873	\$88,717	\$80,220	\$261,110	-	-	-	-
4375	Revenues from Non-Rate-Regulated Utility Operations	(\$2,935,165)	(\$729,057)	(\$67,349)	\$833,428	-	-	-	5,102.00
4380	Expenses of Non-Rate-Regulated Utility Operations	\$2,936,701	\$968,203	\$72,360	(\$833,428)	-	-	-	5,102.00
4390	Miscellaneous Non-Operating Income	(\$127,539)	(\$85,772)	(\$85,735)	(\$114,918)	(\$25,000)	(\$25,142)	(\$5,930)	(\$20,879)
4405	Interest and Dividend Income	(\$61,905)	(\$311,918)	(\$601,756)	(\$264,204)	(\$423,559)	(\$425,965)	(\$297,326)	(\$172,366)
	Miscellaneous Service Revenues	(\$740,012)	(\$474,807)	(\$656,866)	(\$540,230)	(\$409,142)	(\$411,491)	(\$181,310)	(\$213,011)
	Late Payment Charges	(\$275,233)	(\$431,812)	(\$485,496)	(\$525,619)	(\$413,700)	(\$416,050)	(\$309,768)	(\$454,054)
	Other Operating Revenues	(\$1,781,152)	(\$1,857,566)	(\$1,871,203)	(\$1,991,484)	(\$2,091,365)	(\$2,131,907)	(\$935,185)	(\$1,018,508)
	Other Income or Deductions	\$71,084	(\$115,061)	(\$954,430)	\$176,422	(\$87,289)	(\$519,018)	(\$346,393)	(\$18,975)
Total		(\$2,725,314)	(\$2,879,246)	(\$3,967,795)	(\$2,880,912)	(\$3,001,497)	(\$3,478,466)	(\$1,772,656)	(\$1,704,548)

- b) The basis for Account 4210 charges in 2023, 2024, 2025 and 2026 are provided below. Please note that the 2025 and 2026 Clearance poles rates were adjusted from \$17.38 to \$19.57 and \$20.30 respectively to reflect rate of 50% of the pole rental rate. The 2026 pole rental rate was also adjusted to reflect the actual 2026 inflation factor of 3.7%.

IRR Table 6-2: 2023 Account 4210 Pole and Duct Rental

		2023				
Pole and Duct Rental	Rate (2021 COS Approved)	Qty	Rate	Revenue	Revenue Shortfall	Total Revenue
Affiliate (Oshawa PUC Services)						
Joint use pole rental	\$44.50	1319	\$36.05	\$ 47,550	\$ 11,149	\$ 58,699
Duct Fibre optic rental		3252	\$8.50	\$ 27,642		\$ 27,642
Total Affiliate				\$ 75,192	\$ 11,149	\$ 86,341
Non Affiliate						
Joint use pole accrual 2023	\$44.50	6436	\$36.05	\$ 232,018	\$ 53,936	\$ 285,954
Joint use pole 2022		357	\$34.76	\$ 12,409		\$ 12,409
Duct Fibre optic rental		2582	\$8.50	\$ 21,947		\$ 21,947
Clearance poles		7	\$18.03	\$ 126		\$ 126
Pole mounted power supply		146	\$1.92	\$ 280		\$ 280
Total Non Affiliate				\$ 266,781	\$ 53,936	\$ 320,717
Total				\$341,973	\$65,085	\$407,058

IRR Table 6-3: 2024 Account 4210 Pole and Duct Rental

Pole and Duct Rental	Rate (2021 COS Approved)	2024				
		Qty	Rate	Revenue	Revenue Shortfall	Total Revenue
Affiliate (Oshawa PUC Services)						
Joint use pole rental	\$44.50	1319	\$37.78	\$ 49,832	\$ 8,867	\$ 58,699
2018 Pole Rental True-up						\$ 1,498
Duct Fibre optic rental		3252	\$9.00	\$ 29,268		\$ 29,268
Total Affiliate				\$ 79,100	\$ 8,867	\$ 89,464
Non Affiliate						
Joint use pole rental	\$44.50	6528	\$37.78	\$ 246,628	\$ 43,885	\$ 290,513
2018 Pole Rental True-up						\$ 7,106
Duct Fibre optic rental		2582	\$9.00	\$ 23,238		\$ 23,238
Clearance poles		7	\$17.38	\$ 122		\$ 122
Pole mounted power supply		146	\$1.92	\$ 280		\$ 280
Total Non Affiliate				\$ 270,268	\$ 43,885	\$ 321,259
Total				\$349,368	\$52,752	\$410,723

IRR Table 6-4: 2025 Account 4210 Pole and Duct Rental

		2025				
Pole and Duct Rental	Rate (2021 COS Approved)	Qty	Rate	Revenue	Revenue Shortfall	Total Revenue
Affiliate (Oshawa PUC Services)						
Joint use pole rental	\$44.50	1319	\$39.14	\$ 51,626	\$ 7,073	\$ 58,699
Duct Fibre optic rental		3252	\$9.00	\$ 29,268		\$ 29,268
Total Affiliate				\$ 80,894	\$ 7,073	\$ 87,967
Non Affiliate						
Joint use pole rental	\$44.50	6528	\$39.14	\$ 255,506	\$ 35,007	\$ 290,513
Duct Fibre optic rental		2582	\$9.00	\$ 23,238		\$ 23,238
Clearance poles		7	\$19.57	\$ 137		\$ 137
Pole mounted power supply		146	\$1.92	\$ 280		\$ 280
Total Non Affiliate				\$ 279,161	\$ 35,007	\$ 314,168
Total				\$360,055	\$42,080	\$402,135

IRR Table 6-5: 2026 Account 4210 Pole and Duct Rental

		2026		
Pole and Duct Rental		Qty	Rate	Revenue
Affiliate (Oshawa PUC Services)				
Joint use pole rental		1319	\$40.59	\$ 53,538
Duct Fibre optic rental		3252	\$9.00	\$ 29,268
Total Affiliate				\$ 82,806
Non Affiliate				
Joint use pole rental		6528	\$40.59	\$ 264,972
Duct Fibre optic rental		2582	\$9.00	\$ 23,238
Clearance poles		7	\$20.30	\$ 142
Pole mounted power supply		146	\$1.92	\$ 280
Total Non Affiliate				\$ 288,632
Total				\$371,438

- c) Retail Charges include revenues generated from services provided by Oshawa Power to retailers namely: 1) One time Charge, per Retailer, 2) Monthly Fixed Charge, per Retailer, 3) Monthly Variable Charge, per customer, per retailer, 4) Distributor-consolidated billing monthly charge, 5) Retailer-consolidated billing monthly credit.
- d) Historical miscellaneous non-operating profit has had higher levels of income recorded primarily due to unanticipated non-recurring items. Within Miscellaneous non-operating profit (4390), we do anticipate and budget for profit from the sale of scrap metal.
- e) It is projected that interest revenue will be lower than prior year as Oshawa Power will be holding a lower cash balance driven by projected growth in AR balances, increase in cash requirements tied to capital spend, and lower liabilities balances (exhibit 1 p 317) driven by payment terms with our vendors.

6-Staff/CCMBC-191

Ref. 1: Chapter 2 Appendix 2-H, Account 4405

Ref. 2: Chapter 2 Filing Requirements, Section 2.6.3, May 7, 2025

Question(s):

Please confirm that Account 4405 does not contain interest amounts related to DVAs. If not confirmed, please revise Appendix 2-H to remove any interest amounts associated with DVAs as required in Reference 2.

Oshawa Power Response

Confirmed - Account 4405 does not contain interest amounts related to DVAs in years 2025 and 2026. Prior years 2021-2024 actuals include interest related to DVA's and are now removed in the revised Appendix 2-H filed as
OPUCN_IRR_2026_Filing_Requirements_Chapter2_Appendices_1.0_20250730.

6-SEC-192

Ref. 1: Exhibit 6, p.11

Question(s):

Please file the 2024 Corporate Income Tax Return.

Oshawa Power Response

See Attachment 6-1 2024 Corporate Income Tax Return.

6-Staff-193

Ref. 1: OPUCN_CoS Appl_Test Year Income Tax PiLs1.0_20250429 Excel

Ref. 2: OPUCN_CoS Appl_2026 Accelerated CCA Deferral Support_20250429 Excel

Ref. 3: OPUCN_CoS Appl_DVA Continuity Sch_20250429 Excel

Question(s):

Please update the evidence as necessary and confirm any changes based on the 2024 Corporate Income tax return.

Oshawa Power Response

The updates have been made for the historical year, specifically for the adjusted taxable income and non-capital loss carry forward deductions. These adjustments primarily reflect the increase in SR&ED claims as reported in the 2024 Corporate Income Tax Return.

Additionally, these changes will affect the non-capital loss carry forward for both the bridge year and test year. The revised version of the Income Tax/ PILs model has been filed as OPUCN_IRR_2026_Test_year_Income_Tax_PILs_1.0_IRR_20250730.

The table below summarizes the changes made to the model.

IRR Table 6-6: Adjusted Taxable Income – Historical Year

Adjusted Taxable Income - Historical Year

	T2S1 line #	Exhibit 6.2.1 COS filings	2024 Corporate Income tax return	Change
Income before PILs/Taxes	(A + 101 + 102)	3,753,300	3,753,000	-300
Additions:				
Amortization of tangible assets	104	8,507,642	8,504,000	-3,642
Loss on disposal of assets	111	221,110	221,000	-110
Charitable donations and gifts from Schedule 2	112	500	0	-500
Scientific research expenditures deducted on financial statements	118	51,290	171,482	120,192
Reserves from financial statements – balance at the end of the year	126	12,792,951	12,792,951	0
Recapture of SR&ED expenditures	231	13,061	0	-13,061
Other additions				
Interest Expensed on Capital Leases	295	10,616	10,000	-616
Capital Contributions Received (ITA 12(1)(x))		4,856,085	4,856,085	0
Prior Year Investment Tax Credits received		23,324	12,340	-10,984
Total Additions		26,476,579	26,567,858	91,279
Deductions:				
Capital cost allowance from Schedule 8	403	10,243,011	10,243,011	0
Scientific research expenses claimed in year	411	0	164,825	164,825
Reserves from financial statements - balance at beginning of year	414	12,814,714	12,814,714	0
Other deductions				
Interest capitalized for accounting deducted for tax	395	372,763	372,763	0
Capital Lease Payments	395	348,178	369,000	20,822
ITA 13(7.4) Election - Capital Contributions Received		4,856,085	4,856,085	0
Deferred Revenue - ITA 20(1)(m) reserve		1,399,017	1,399,000	-17
Financing fees for tax ITA 20(1)(e) and (e.1)		2,000	2,005	5
Amortization of swap loans transferred from Parent company in 2023		1,030,314	1,030,314	0
Co-op credit related to T661 line 431		0	679	679
Total Deductions		31,066,083	31,252,396	186,314
Net Income for Tax Purposes		-836,203	-931,538	-95,335
TAXABLE INCOME		-836,203	-931,538	-95,335

Schedule 4 Loss Carry Forward - Historical

Non-Capital Loss Carry Forward Deduction				
Actual Historical		1,080,805	1,176,140	95,335

Schedule 4 Loss Carry Forward - Bridge Year

Non-Capital Loss Carry Forward Deduction				
Balance available for use post bridge year		4,021,899	4,117,234	95,335

Schedule 4 Loss Carry Forward - Test Year

Net Income before taxes				
Actual Historical		6,622,513	6,620,976	-1,537
Non-Capital Loss Carry Forward Deduction				
Balance available for use in future years		2,674,320	2,771,192	96,872

6-SEC-194

Ref. 1: Exhibit 6, p.14

Ref. 2: Exhibit 9, p.20

Question(s):

Please provide a calculation of the net impact of accelerated CCA in the years 2021 through 2023 and the impact on Account 1592.

Oshawa Power Response

Oshawa Power filed its 2021 Cost of Service Application on the basis of Full Accelerated Investment Incentive (AIIP). Oshawa Power did not propose a mechanism to smooth the tax impacts over the IRM term and requested continued use of Account 1592 going forward. Please see EB-2020-0048 "OPUCN_IRR_20201116" response to 4-Staff-93.

The table below outlines the base rates rule and CCA claim for the period of 2020 through 2025.

IRR Table 6-7: 2020-2025 Base Rate Rules vs CCA Claim

	2020	2021	2022	2023	2024	2025
Base Rates Rule	1/2 Yr Rule CCA	FULL AIIP CCA	FULL AIIP CCA	FULL AIIP CCA	FULL AIIP CCA	FULL AIIP CCA
CCA Claim	Full effect of AIIP CCA	Full effect of AIIP CCA	Full effect of AIIP CCA	Full effect of AIIP CCA	Phased out effect of AIIP CCA	Phased out effect of AIIP CCA
1592 CCA Deferral	2020 balance recorded	n/a	n/a	n/a	2024 balance recorded	2025 balance recorded

Attachment 6 – 1

2024 Corporate Tax Return



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PRIVATE AND CONFIDENTIAL

Amanda Tang
Authorized Signing Officer
Oshawa PUC Networks Inc.
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Oshawa ON L1H 7M7

June 26, 2025

Amanda:

CORPORATE INCOME TAX RETURNS

We have prepared and enclose the corporate income tax return(s) (the "Returns") of Oshawa PUC Networks Inc. (the "Company") for the taxation year ended December 31, 2024.

- ☒ T2 – *Corporation Income Tax Return* - EXEMPT
- ☒ T183 - *Information Return for Corporations Filing Electronically*
(Federal - to be e-filed with CRA) - EXEMPT
- ☒ T2 – *Corporations Income Tax Return* (to be filed with Ministry of Finance) - PILS
- ☒ T661 – *Scientific Research and Experimental Development (SR&ED) Expenditures Claim* – PILS
- ☒ Instalment Schedule
- ☒ Client copy for your records

We have prepared these Returns based on our understanding of and reliance upon the facts, data, materials, assumptions and other information (collectively, the "Information") provided to us by the Company and/or its representatives, and we have not independently investigated or verified the accuracy or completeness of such Information. We accept no responsibility or liability for any errors attributable to our reliance upon inaccurate or incomplete Information. We recommend that you carefully review the Returns in their entirety to ensure that all of the relevant Information is correctly and completely disclosed.

We would like to remind you that tax-deductible inter-corporate dividends that are received subsequent to April 20, 2015 and that are otherwise tax-free under Part I of the Income Tax Act may be re-characterized, under an expanded anti-avoidance rule in subsection 55(2) of the Income Tax Act, as capital gains that are subject to tax if, in general terms, there is insufficient safe income on hand.

You have advised us that either there is sufficient safe income on hand to support the position that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns, or that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns and that safe income on hand is not required to support the position that the anti-avoidance rule does not apply. If you wish to engage KPMG to prepare a safe income on hand calculation, please contact us and we would be pleased to discuss this with you.

KEY TAX ATTRIBUTES SUMMARY

We are pleased to provide you with select key tax information on the *Corporate Tax Return - Key Tax Attributes Summary*. This document lists key amounts and carryforward balances from the Returns and may assist in identifying future potential tax planning opportunities.

FOREIGN PROPERTY

The information return, which reports the Company's specified foreign property, is Form T1135 - *Foreign Income Verification Statement*. Form T1135 should be completed if at any time during the taxation year 2024 the total cost of all specified foreign property the Company owned or held a beneficial interest in was more than Cdn\$100,000.

According to the information you have provided to us, the Company did not hold specified foreign property at any time in the taxation year 2024 with a total cost of more than Cdn\$100,000. As such, we have **not** marked an X in box 259 on page 3 of your return and **we have not completed the Form T1135**. If the information on specified foreign property is incorrect, please let us know immediately.

Should Form T1135 be required, it is due by **June 30, 2025**. The implications of late filing and/or failure to properly report specified foreign property on the Form T1135 and failure to report income from a specified foreign property on your income tax return are substantial. They include significant penalties and an increase to the normal reassessment period by an additional 3 years. Further, the reassessment period extension would impact otherwise statute-barred tax years and would impact the entire income tax return, not just the foreign income and reporting sections.

SUMMARY OF SCIENTIFIC RESEARCH & EXPERIMENTAL DEVELOPMENT ("SR&ED") CLAIM

We have prepared the SR&ED claim based on our understanding of the information provided to us by the Company and we recommend that you review the claim to ensure that all of the relevant facts are properly disclosed.

The nature of our service is to assist the Company in filing claims for SR&ED investment tax credits. We cannot guarantee the tax authority will accept the Company's research and development activities as qualifying SR&ED activities or that the tax authority will approve all the Company's research and development expenditures as qualifying SR&ED expenditures. However, the SR&ED claim was prepared based on our professional judgment that the identified activities constitute qualifying SR&ED and all of the appropriate expenditures relating to those activities have been identified. Much of the success of the submission will depend on the integrity and validity of the data collected.

To mitigate the risk of penalties, Part 9 (Claim preparer information) of Form T661 *Scientific Research and Experimental Development (SR&ED) Expenditures Claim* must be fully completed (except where the Company has chosen to separately file under CRA's administrative measure). If any of the prescribed claim preparer information is missing, incomplete, or inaccurate, a penalty of \$1,000 may be assessed and the processing of your SR&ED claim may be delayed.

ANNUAL INFORMATION RETURN FOR ONTARIO CORPORATIONS

Corporations incorporated, continued, or amalgamated in Ontario and subject to the Ontario Business Corporations Act or the Ontario Corporations Act, excluding registered charities under the federal Income Tax Act, must update their information annually. The Ontario Ministry of Government Services (MGS) public records are required to contain accurate and complete information. As of May 15, 2021, the CRA no longer accepts the filing of these annual returns. Corporations must now use the Ontario Business Registry to file their annual information returns, as the province's temporary filing exemption has expired. Corporations must file their annual information returns due on October 19, 2021 or later by their respective due dates using the new system. The Ontario annual information return continues to be due 6 months after year-end, for returns due on or after October 19, 2021. As an alternative to filing their own annual information return, a corporation can use an intermediary such as KPMG to complete and file the return. If the corporation is using a registered intermediary, then the corporation will not have to register with the new Ontario Business Registry.

If you have any questions about the Ontario annual information returns or the recent filing changes, please contact us and we would be pleased to discuss them further.

GENERAL RATE INCOME POOL ("GRIP")

Shareholders receiving eligible dividends as compared to non-eligible dividends, are subject to a reduced rate of income tax. Eligible dividends are paid out of the Company's GRIP balance, which at December 31, 2024 is estimated to be \$11,611,176. The supporting calculation is summarized in Schedule 53 of the federal corporate tax return.

In addition, designation of eligible dividends is required, with each shareholder recipient being formally notified in writing at time of payment.

During the year, the Company paid eligible dividends of \$1,200,000 which is outlined on Schedule 55 of the federal corporate tax return. This dividend reduces the GRIP balance indicated above.

CRS AND FATCA REPORTING REQUIREMENTS

Certain Canadian entities are required to report to the Canada Revenue Agency annually on any account holders determined to be Specified US persons under *Part XVIII - Enhanced International Information Reporting* of the *Canadian Income Tax Act* (the Canadian implementation of the US *Foreign Account Tax Compliance Act*, commonly referred to as "FATCA").

Certain Canadian entities are also required to report to the Canada Revenue Agency annually on any account holders determined to be tax residents of countries other than Canada or the United States under *Part XIX - Common Reporting Standard* of the *Canadian Income Tax Act* (commonly referred to as the "CRS").

Please contact us if you have any questions about responding to a request from a financial institution to certify your FATCA or CRS status, or determining whether you are subject to the due diligence and reporting requirements under the CRS or FATCA.

PROPOSED TAX CHANGES

The Company's tax Returns have been prepared taking into account certain proposals to amend the federal and provincial tax statutes which have been publicly announced to date in budgets and other government releases as being applicable to the Company's current taxation year, even though the proposals may not yet be enacted. If the proposed amendments are not enacted as announced, these tax returns could be reassessed and may result in an underpayment of tax, and possible interest and penalties. If you receive an assessment or reassessment for these tax returns that does not agree with the returns filed, it is important that you notify us so that we can determine if any action needs to be taken.

FORM RC3133 – REPORTABLE UNCERTAIN TAX TREATMENTS INFORMATION RETURN

Certain corporate taxpayers that are required to file a Canadian income tax return are also required to separately report uncertain tax treatments reflected in their financial statements to the CRA in Form RC3133, "Reportable Uncertain Tax Treatments Information Return", for taxation years beginning after 2022. Specifically, the new reporting requirement may apply to corporations with at least \$50 million in assets at the end of the year that have reflected an uncertainty with respect to a particular tax treatment in their audited financial statements, or the audited consolidated financial statements of a group of which the corporation is a member, that are prepared in accordance with International Financial Reporting Standards (IFRS) or certain other country-specific GAAP (such as U.S. GAAP).

The filing due date for Form RC3133, which is filed separately from the corporation's income tax return, is the same due date as the corporation's income tax filing.

Failure to file Form RC3133, may result in substantial penalties being assessed by CRA. Penalties for failure to file on time are \$2,000/week for each week the failure continues, up to a maximum of \$100,000 per failure.

If you have any questions about the new RUTT information return, please contact us and we would be pleased to discuss them further.

NEW INTEREST DEDUCTIBILITY LIMITATIONS FOR TAXATION YEARS BEGINNING ON OR AFTER OCTOBER 1, 2023

KPMG has reviewed the implications of the Excessive Interest and Financing Expenses Limitation (EIFEL) rules, which apply to taxation years beginning on or after October 1, 2023, and determined that the entity is an “excluded entity” for the current year and thus not subject to these rules for this year-end. Our analysis is based on the information and data provided by you and we have not independently investigated or verified the accuracy or completeness of such information. We accept no responsibility or liability for any errors attributable to our reliance upon inaccurate or incomplete information. We recommend that you carefully review the EIFEL analysis to ensure that all of the relevant information is correctly and completely disclosed in the tax return.

INSTALMENTS

We have prepared and enclose an estimate of tax instalments as applicable for the Company for the taxation year ending on December 31, 2025. The amounts were computed with reference to the Company’s taxable income, taxable capital and income taxes payable for prior years. If during the year it is evident that the taxable income or taxable capital for the current year will be substantially less than for the previous taxation year, your instalments may be recalculated. Please call your KPMG advisor in order that we may determine what course of action should be taken.

In order to avoid interest charges, the tax authorities must receive the instalment payments no later than the date indicated on the attached schedule.

T2 – T183 – INFORMATION RETURN FOR CORPORATIONS FILING ELECTRONICALLY (FEDERAL-EXEMPT)

In order for us to electronically file the Company’s corporate exempt income tax return, a signed copy of Form T183CORP – *Information Return for Corporations Filing Electronically* must be returned to us. Please note that we will not electronically file the Company’s corporate income tax return until we receive the signed Form T183 Corp.

The Form T183CORP – *Information Return for Corporations Filing Electronically* includes information from your Company’s income tax return and all applicable schedules.

Signature



Form T183CORP – *Information Return for Corporations Filing Electronically* should be completed and signed


No amount is payable for the **2024** taxation year.

Mailing

- ☒ One copy of the signed Form T183 Corp should be returned to KPMG by fax at (416) 777-8818, as soon as possible, no later than June 30, 2025, in order to have the Company's Return filed on or before the due date for filing. **We will not electronically file the Return until we receive a copy of the signed T183CORP.** The Form T183CORP must **not** be sent to the CRA.

T2 – CORPORATION INCOME TAX RETURN - MINISTRY OF FINANCE

Signature

-  Form T2, the certification section on page 9 should be completed and signed.

Refund

A refund of \$147,749 is claimed and therefore no amount is payable for the **2024** taxation year.

Mailing


- ☒ One copy of the Return and one copy of the Company's financial statements must be **received** by The Ministry of Finance, HYDRO PIL DIVISION, PO Box 620, 33 King Street West, Oshawa, ON, L1H 8E9 no later than **June 30, 2025**. For greater certainty, KPMG will not be mailing this Return.

NOTICES OF ASSESSMENT

If the Company receives a Notice of Assessment which does not agree with a return as prepared by us, please contact us so that we can determine whether any action should be taken. The Company has only a limited number of days from the date of mailing of the Assessment in which to object. Failure to respond within the prescribed time limit will cause the Company to lose its right to object to the Assessment.

If you have any questions concerning these Returns, or if we may be of any further assistance, please feel free to contact the undersigned.

Yours truly,



KPMG LLP

Enclosures

Oshawa PUC Networks Inc.
Corporate Tax Return - Key Tax Attributes Summary
2024 Taxation Year

The following is a summary of a few select Key Tax Attributes for the income tax returns of Oshawa PUC Networks Inc. for the period ended December 31, 2024.

Description	Current year 2024	Prior year 2023
Net income for accounting purposes (Sch 140, line 9999)	\$1,956,000	\$3,545,000
Net income for tax purposes (T2, line 300)	\$-931,538	\$-1,059,075
Total SR&ED Expenditures (T661, line 511)	\$258,703	
Total Qualified SR&ED Expenditures for Federal ITC purposes (T661, line 570)	\$248,993	

Federal and Provincial Taxes

Part I (T2, line 700)	\$NIL	\$NIL
Ontario taxes (T2, line 760)	\$NIL	\$NIL

Carryforward Closing Balances

Non-capital losses (Sch 4, line 180)	\$1,176,140	\$244,602
Investment Tax Credit: SR&ED (Sch 31, line 620)	\$48,844	\$11,495
Undepreciated Capital Cost (Sch 8, line 220)	\$140,215,719	\$125,394,962
General Rate Income Pool (Sch 53, line 590)	\$11,611,176	\$12,711,176
Charitable Donations (Sch 2, line 280)	\$500	\$500

Scientific Research & Experimental Development (SR&ED)

Description	Current year 2024
-------------	----------------------

Investment Tax Credit Attributes

Federal Investment Tax Credit (Sch 31, line 540)	\$37,349
--	----------

Ontario Research & Development Tax Credit (Sch 508, line 232)	\$9,031
---	---------

Federal and Provincial SR&ED Carryforward Balances

Federal Investment Tax Credit (Sch 31, line 620)	\$48,844
--	----------

Ontario Research & Development Tax Credit (Sch 508, line 325)	\$11,810
---	----------

Pursuing any potential opportunities that may be identified through a review of the Key Tax Attributes Summary is outside the scope of any existing engagement letter with KPMG. Should you wish to pursue any potential opportunities we would be pleased to meet with you to discuss your needs and then provide you with a new tax advisory engagement letter detailing the scope of services and fees agreed upon in further pursuing such potential opportunities. KPMG will take no further action with respect to any potential opportunities, except as specifically engaged to do so by you pursuant to a tax advisory engagement letter.

All of the amounts included on this schedule are based on what the Company has reported in its current income tax return. Before any planning is undertaken certain amounts will need to be confirmed with the relevant tax authorities.

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	Enter one of the following:		
Oshawa PUC Networks Inc.	<div>89172 5210 RC0001</div> <div>Business number (BN)</div>		
Tax year	<div></div>		
From <div>2024-01-01</div> to <div>2024-12-31</div>	<div></div>		
	<div></div>		
050 Total number of projects you are claiming this tax year:	<div></div>		
1	<div></div>		
100 Contact person for the financial information	105 Telephone number/extension	110 Fax number	
Amanda Tang	(905) 723-4623		
115 Contact person for the technical information	120 Telephone number/extension	125 Fax number	
Susanna Beckstead	(905) 743-5209		

151 If this claim is filed for a partnership, was Form T5013 Partnership Information Return filed?	<div></div> Yes <div></div> 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

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

CRA internal form identifier 060
Code 1901

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 ☒ 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 +	171,482
b) Specified employees for work performed in Canada	305 +	
Subtotal (add lines 300 and 305)	306 =	171,482
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 +	
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 =	171,482

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	171,482
Deduct		
• provincial government assistance for expenditures included on line 380	429 –	5,978
• other government assistance for expenditures included on line 380	431 –	679
• 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 =	164,825
Add		
• repayments of government and non-government assistance that previously reduced the SR&ED expenditure pool	445 +	
• prior year's pool balance of deductible SR&ED expenditures (from line 470 of prior year T661)	450 +	
• SR&ED expenditure pool transfer from amalgamation or wind-up	452 +	
• amount of SR&ED ITC recaptured in the prior year	453 +	
Amount available for deduction (add lines 442 to 453) (enter positive amount only, include negative amount in income)	455 =	164,825
• Deduction claimed in the year (Corporations should enter this amount on line 411 of schedule T2SCH1)	460 –	164,825
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		171,482
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	+	87,221
• qualified expenditures transferred to you (see note 3) (complete Form T1146**)	508	+	
Subtotal (add lines 492 to 508)	511	=	258,703
Deduct			
• provincial government assistance	513	–	9,031
• other government assistance	515	–	679
• 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	–	
• 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	=	248,993
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	=	248,993

* 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 7 – Additional information

Expenditures for SR&ED performed by you in Canada (line 380 minus lines 307, 309, 340, 345, and 370) **605** 171,482

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** ☒ 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	
Other technical supporting staff	638	

Part 8 – Claim checklist

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

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

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

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

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

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

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

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

Part 9 – Claim preparer information

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

A \$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?

- ☒ Yes (complete the claim preparer information table and lines 970 and 975 below)
- ☐ No (complete lines 970 and 975)

Claim preparer information table

940	945	950	955	960	965
Name of claim preparer (company or individual)	Business number	Billing arrangement code (see codes below*)	Billing rate (percentage, hourly/daily rate or flat fee)	Other billing arrangement(s) (Maximum 10 words)	Total fee paid, payable, or expected to pay
1. KPMG LLP	12236 3153 RC0001	1	20.00		9,276
Total					9,276

* 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, Amanda Tang, certify that the information provided in this part is complete
Name of authorized signing officer of the corporation, or individual (print)
and accurate.

Signature

975
Year Month Day

Part 10 – Certification

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

165	Amanda Tang		170
	Name of authorized signing officer of the corporation, or individual	Signature	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)

24-01 Improved Grid Intelligence and System Automation

202 Project start date

2024-01

Year Month

204 Completion or expected completion date

2025-12

Year Month

206 Field of science or technology code
(See guide for list of codes)

2.02.09

Software engineering and technology

Project claim history

208 ☐ 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 ☒ NoIf you answered **yes** to line 218, complete lines 220 and 221.**220** Names of the businesses**221** BN

1

2

3

Section B – Project descriptions**242** What scientific or technological uncertainties did you attempt to overcome?
(Maximum 50 lines)

1. The technological objective of this project was to develop the knowledge to
2. automate various engineering, monitoring, control, and client interaction
3. aspects to develop an intelligent/smart electrical grid. Advancements had
4. been made to make some of these assets intelligent with the ability to be
5. interconnected. However, it was hypothesized that through advances in
6. hardware and software approaches, an intelligent utility grid could be
7. developed. Using software, the development of various algorithms to monitor
8. and process data in real-time to provide for more reliable, optimized, and
9. efficient operational management of the utility grid was envisioned. This
10. required addressing the following technological uncertainties:
11. -To transition from paper-based maps to digital maps, a critical aspect
12. involved capturing the real-time state of the system through a digital medium
13. was needed. It was uncertain how to ensure that the digital maps accurately
14. reflected a real-time operational status and its automations, considering the
15. various systems (AutoCAD, OMS, and GIS) that needed to be linked into the
16. SCADA system for unified control. Moreover, enhancing the Outage Management
17. System (OMS) for efficient client communication regarding outages was sought,
18. requiring investigations aligning operational data with customer-facing
19. communications systems.

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

1. To enhance operational efficiency, a digital map was proposed. Single line
2. diagrams were created manually and then converted from AutoCAD into the SCADA
3. system. However, functionality challenges were encountered, and it was
4. uncertain how to allow for toggling of switches through the digital maps.
5. Replacement of the default graphics in the surveillance system with
6. functional P macros was investigated. Moreover, challenges were encountered
7. in tasking the system to match the line sections displayed in the digital map
8. to the actual line sections present in the field. This required studies to
9. improve integration of the newly digitized data with operational management
10. systems, specifically the OMS (Outage Management System) and GIS (Geographic
11. Information System). Consistency in naming conventions proved critical and
12. names used in the OMS needed to be aligned with those in the digital maps.

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)

13. This allowed for improved automation and communication between the systems
 14. without discrepancies. The automation aspect presented various issues,
 15. particularly ensuring that the automation could run on only one map without
 16. duplicating line sections or creating loops that could impair decision-making
 17. in the software. Sandbox testing was carried out employing currently
 18. available data from the production system. Furthermore, studies were
 19. initiated to improve outage management and customer notifications. Relaying
 20. outage information efficiently and in a timely manner proved challenging,
 21. likely as a result of adequate integration with SCADA and prioritisation of
 22. encountered errors/upset conditions. The transition from a Hexagon-based
 23. system to a Savannah product posed challenges related to system integration,
 24. data communication protocols, and ensuring Real-Time updates. Investigations
 25. were then carried out into a filtering process within the OMS that eliminated
 26. messages later than a configurable threshold, which ensured only relevant
 27. data was processed.
 28. Moreover, increased operational efficiencies were pursued and investigations
 29. into process automation related to customer billing, purchasing and
 30. procurement as well as interactive voice response (IVR) processes were
 31. carried out. The current billing process consisted of many manual steps.
 32. Studies were carried out to improve the billing workflow and automate various
 33. processes, including delinquency notifications. Moreover, processes for
 34. customer communications, including automated payment reminders and
 35. delinquency notices, were mapped out, striving for minimal manual
 36. intervention in communication. It was unclear how to include legacy data
 37. (different formats) and ensure seamless communication while maintaining data
 38. accuracy across various platforms. Investigations into the complexity of
 39. various data formats were carried out and trials into data conversion and
 40. data migration approaches were carried out. Sandbox testing to assess
 41. functionalities were carried out. Application of the workflows and
 42. improvements to data compatibility were planned for the next year.
 43. Enhancement to customer service by prioritizing incoming calls based on
 44. urgency were sought. The challenges faced included accurately determining the
 45. nature of calls without human interaction. Moreover, changes to the call
 46. flows were investigated to improve performance during peak call times, as it
 47. was uncertain how to manage call volumes and ensure the system could handle
 48. multiple inquiries simultaneously while reducing hold times. Testing of the
 49. IVR system was carried out in a sandbox environment to assess the system's
 50. robustness and try to understand the conditions that the system reached its
 51. capability limits. Integration with the Customer Information Systems (CIS)
 52. was also attempted, aligning the integration with various external systems,
 53. while ensuring data accuracy and consistency as well as mitigating call
 54. center load and improving customer satisfaction.
 55. Exploring the incorporation of AI and machine learning to enhance the
 56. system's ability to interact with customers, reducing the need for direct
 57. human interaction for common queries, were initiated.

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

1. In an effort to develop an intelligent utility grid that allows automating
 2. various engineering, monitoring, control, and client interaction tasks
 3. required investigations and trials into software as well as hardware
 4. components, which resulted in the following technological advancements:
 5. -Better understanding on the integration of various systems (AutoCAD, OMS,
 6. and GIS) into the SCADA and how to enhance operational efficiency. In
 7. introducing single line diagrams, toggling of switches through the digital
 8. maps proved difficult. Replacement of the default graphics in the
 9. surveillance system with functional P macros was needed but consistency in
 10. naming conventions proved critical. Improved automation and communication

11. between the systems was achieved. Testing was in progress to better
12. understand how to ensure that line sections are not duplicated and create
13. loops. The transition from a Hexagon-based system to a Savannah product posed
14. challenges related to system integration, data communication protocols, and
15. ensuring Real-Time updates. Improved workflows to billing and call
16. prioritisation were developed. Exploration of AI and machine learning to
17. enhance the system's ability to interact with customers, reducing the need
18. for direct human interaction for common queries was initiated.

Section C – Additional project information

Who prepared the responses for Section B?

253	<input type="checkbox"/> Employee directly involved in the project	254	Name		
255	<input type="checkbox"/> Other employee of the company	256	Name		
257	<input checked="" type="checkbox"/> 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	Len Koech		B.Sc. (Information Technology); Systems Operations Technician
2	Maged Yackoub		P.Eng., CTO & Director Business Transformation
3	Kent Fulling		Manager - Distribution

265	Are you claiming any salary or wages for SR&ED performed outside Canada?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
266	Are you claiming expenditures for SR&ED carried out on behalf of another party?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
267	Are you claiming expenditures for SR&ED performed by people other than your employees?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

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

268	Names of individuals or companies	269	BN
1			

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

Federal Tax Instalments

Federal tax instalments

For the taxation year ended

2025-12-31

Business number

89172 5210 RC0001

The following is a list of instalments payable for the current taxation year, and the last column indicates the instalments payable to the Canada Revenue Agency (CRA). The instalments must be paid on each of the dates indicated below, otherwise non-deductible interest might be charged.

You can pay using one of the methods listed at **canada.ca/payments**. However, when a remittance must mandatorily be made using electronic means, use one of the following electronic payment methods:

- a Canadian financial institution's services;
- the CRA's *My Payment* service, at **canada.ca/cra-my-payment**;
- a pre-authorized debit agreement set up in the CRA's *My Business Account* service, at **canada.ca/my-cra-business-account**;
- a wire transfer.

Monthly instalment workchart

Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2025-01-31	2,670	2,670			
2025-02-28	2,670	2,670			
2025-03-31	2,670	2,670			
2025-04-30	2,670	2,670			
2025-05-31	2,670	2,670			
2025-06-30	2,670	2,670			
2025-07-31	2,670	2,670			
2025-08-31	2,670	2,670			
2025-09-30	2,670	2,670			
2025-10-31	2,670	2,670			
2025-11-30	2,670	2,670			
2025-12-31	2,665	2,665			
Totals	32,035	32,035			

Information Return for Corporations Filing Electronically

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

Part 1 – Identification

Corporation's name Oshawa PUC Networks Inc.				Business number 89172 5210 RC0001	
Tax year start	Year Month Day 2024-01-01	Tax year-end	Year Month Day 2024-12-31	Is this an amended return? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Email address: _____

Most notices and other correspondence are delivered electronically to My Business Account by default, except when a corporation has changed its delivery preference to receive paper mail. By providing an email address, you are **registering** the corporation to receive email notifications from the CRA. The CRA will notify the corporation at the email address provided when new correspondence is available in My Business Account and may require immediate attention. For more information, see canada.ca/cra-business-email-notifications.

Part 2 – Declaration

Enter the following amounts, if applicable, from the T2 return for the tax year noted in Part 1:

Net income or loss for income tax purposes from Schedule 1, financial statements, or General Index of Financial Information (GIFI) (line 300)	-931,538
Part I tax payable (line 700)	
Part II.2 tax payable (line 705)	
Part III.1 tax payable (line 710)	
Part IV tax payable (line 712)	
Part IV.1 tax payable (line 716)	
Part VI tax payable (line 720)	
Part VI.1 tax payable (line 724)	
Part XIV tax payable (line 728)	
Net provincial and territorial tax payable (line 760)	32,035
Total tax payable (line 770)	32,035

Part 3 – Certification and authorization

I, Tang Amanda Authorized Signing Officer
Last name First name Position, office, or title

am an authorized signing officer of the corporation. I certify that I have examined the *T2 Corporation Income Tax Return*, including accompanying schedules and statements, and that the information given on the T2 return and this T183 Corp information return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

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

Signature of an authorized signing officer of the corporation (905) 723-4623 Year Month Day
Telephone number
HH MM SS

The CRA will accept an electronic signature if it is applied in accordance with the guidance specified by the CRA.

Part 4 – Transmitter identification

The following transmitter has electronically filed the T2 return of the corporation identified in Part 1.

KPMG LLP N8226
Name of person or firm Electronic filer number

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 211 on Info Source at canada.ca/cra-info-source.

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.

055

Do not use this area

Identification

Business number (BN) 001 89172 5210 RC0001	
Corporation's name 002 Oshawa PUC Networks 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. 011 100 Simcoe Street South 012 City Province, territory, or state 015 Oshawa 016 ON Country (other than Canada) Postal or ZIP code 017 018 L1H 7M7	
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 022 023 City Province, territory, or state 025 026 Country (other than Canada) Postal or ZIP code 027 028	
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 Province, territory, or state 035 036 Country (other than Canada) Postal or ZIP code 037 038	
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	

095

Do not use this area

096

898

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

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

Attachments (continued)

	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271 <input type="checkbox"/>	T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN\$100,000?	259 <input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	260 <input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261 <input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262 <input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263 <input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264 <input type="checkbox"/>	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265 <input checked="" type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266 <input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267 <input type="checkbox"/>	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268 <input checked="" type="checkbox"/>	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	269 <input type="checkbox"/>	54
Is the corporation claiming a return of fuel charge proceeds to farmers tax credit?	273 <input type="checkbox"/>	63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	274 <input type="checkbox"/>	59
Is the corporation claiming an air quality improvement tax credit?	275 <input type="checkbox"/>	65
Is the corporation subject to the additional 1.5% tax on banks and life insurers?	276 <input type="checkbox"/>	68
Is the corporation a covered entity that redeemed, acquired or cancelled equity of the corporation in the tax year?	277 <input type="checkbox"/>	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 <input type="checkbox"/>	130

Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Is the corporation inactive?	280	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Did the corporation meet the definition of substantive CCPC under subsection 248(1) at any time during the tax year?	290	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
What is the corporation's main revenue-generating business activity? 418990 All other merchant wholesalers					
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	Utility Distribution	285	100.000 %	
	286		287	%	
	288		289	%	
Did the corporation immigrate to Canada during the tax year?	291	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the tax year?	292	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	294	Year Month Day			
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL	300	-931,538	A
Deduct:			
Charitable donations from Schedule 2	311		
Cultural gifts from Schedule 2	313		
Ecological gifts from Schedule 2	314		
Gifts of medicine made before March 22, 2017, from Schedule 2	315		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320		
Part VI.1 tax deduction*	325		
Non-capital losses of previous tax years from Schedule 4	331		
Net capital losses of previous tax years from Schedule 4	332		
Restricted farm losses of previous tax years from Schedule 4	333		
Farm losses of previous tax years from Schedule 4	334		
Limited partnership losses of previous tax years from Schedule 4	335		
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			B
Subtotal (amount A minus amount B) (if negative, enter "0")			C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355		D
Taxable income (amount C plus amount D)	360		

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

Small business deduction**Canadian-controlled private corporations (CCPCs) throughout the tax year**

Income eligible for the small business deduction from Schedule 7	400	A
Taxable income from line 360 on page 3, minus 100/28 (3.57143) of the amount on line 632* on page 8, minus 4 times the amount on line 636** on page 8, and minus any amount that, because of federal law, is exempt from Part I tax	405	B
Business limit (see notes 1 and 2 below)	410	C

Notes:

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

Business limit reduction**Taxable capital business limit reduction**

Amount C	x	415 ***	268,769	D	=		E
			90,000				

Passive income business limit reduction

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

Amount C	x	Amount F	=		G
	100,000				

The greater of amount E and amount G **422** H

Reduced business limit (amount C minus amount H) (if negative, enter "0")	426	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	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L ³	N Business limit assigned to corporation identified in column L ⁴
	490	500	505
1.			

Notes:

Total 510Total 515

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 3A

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

Amount 13K from Part 13 of Schedule 27C

Personal services business income432D

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**FE

Subtotal (add amounts B to F)G

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

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

Enter amount I on line 638 on page 8.

* 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 3J

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

Amount 13K from Part 13 of Schedule 27L

Personal services business income434M

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

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)

K

x

30 2 / 3 %

=

L

Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)

M

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

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)	460,000	AA
ERDTOH balance at the end of the tax year (line 530)		BB
Eligible dividend refund (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)		DD
NERDTOH balance at the end of the tax year (line 545)		EE
Non-eligible dividend refund (amount DD or EE, whichever is less)		FF
Amount DD minus amount EE (if negative, enter "0")		GG
Amount BB minus amount CC (if negative, enter "0")		HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)		II
Dividend refund – Amount CC plus amount FF plus amount II		JJ

Enter amount JJ on line 784 on page 9.

Part I tax

Base amount Part I tax – Taxable income (from line 360 on page 3) **multiplied by 38 %** **550** 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 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) 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) K

Deduct:

Small business deduction from line 430 on page 4 L

Federal tax abatement **608**

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**

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

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

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

Federal qualifying environmental trust tax credit **648**

Investment tax credit from Schedule 31 **652**

Subtotal 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

Part II.2 tax payable from Schedule 56

Part III.1 tax payable from Schedule 55

Part IV tax payable from Schedule 3

Part IV.1 tax payable from Schedule 43

Part VI tax payable from Schedule 38

Part VI.1 tax payable from Schedule 43

Part VI.2 tax payable from Schedule 67

Part XII.7 tax payable from Schedule 78

Part XIII.1 tax payable from Schedule 92

Part XIV tax payable from Schedule 20

700

705

710

712

716

720

724

725

726

727

728

Add provincial or territorial tax:

Provincial or territorial jurisdiction

(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec and Alberta)

750

ON

760

32,035

Total federal tax

Total tax payable

770

32,035

Deduct other credits:

Investment tax credit refund from Schedule 31

Dividend refund from amount JJ on page 7

Federal capital gains refund from Schedule 18

Federal qualifying environmental trust tax credit refund

Return of fuel charge proceeds to farmers tax credit from Schedule 63

Canadian film or video production tax credit (Form T1131)

Film or video production services tax credit (Form T1177)

Canadian journalism labour tax credit from Schedule 58

Air quality improvement tax credit from Schedule 65

Tax withheld at source

Total payments on which tax has been withheld

Provincial and territorial capital gains refund from Schedule 18

Provincial and territorial refundable tax credits from Schedule 5

Tax instalments paid

780

784

788

792

795

796

797

798

799

800

801

808

812

840

890

179,784

179,784

Total credits

Balance (amount A minus amount B)

890

179,784

179,784

-147,749

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

Refund

Balance owing

894

2

147,749

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?

If this return was prepared by a tax preparer for a fee, provide their:

896

920

925

Yes

No

N8226

896

920

925

Yes

No

N8226

Certification

I, 950 Tang

951 Amanda

954 Authorized Signing Officer

Last name

First name

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

956

957

959

Date (yyyy/mm/dd)

Signature of the authorized signing officer of the corporation

Is the contact person the same as the authorized signing officer? If no, complete the information below

Name of other authorized person

Telephone number

955

956

957

959

(905) 723-4623

Yes

No

X

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

T2 E (25)

CCH IFIRM TAXPREP IF16 VERSION 2025 V1.1

Page 9

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF1

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

Balance sheet information

Account	Description	GIFI	Current year	Prior year
Assets				
	Total current assets	1599 +	36,864,000	36,633,000
	Total tangible capital assets	2008 +	360,936,000	333,476,000
	Total accumulated amortization of tangible capital assets	2009 –	138,508,000	132,039,000
	Total intangible capital assets	2178 +	9,114,000	8,602,000
	Total accumulated amortization of intangible capital assets	2179 –	4,731,000	4,063,000
	Total long-term assets	2589 +	10,494,000	15,139,000
	* Assets held in trust	2590 +		
	Total assets (mandatory field)	2599 =	274,169,000	257,748,000
Liabilities				
	Total current liabilities	3139 +	26,187,000	29,782,000
	Total long-term liabilities	3450 +	178,962,000	159,702,000
	* Subordinated debt	3460 +		
	* Amounts held in trust	3470 +		
	Total liabilities (mandatory field)	3499 =	205,149,000	189,484,000
Shareholder equity				
	Total shareholder equity (mandatory field)	3620 +	69,020,000	68,264,000
	Total liabilities and shareholder equity	3640 =	274,169,000	257,748,000
Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849 =	45,035,000	42,487,000

* Generic item

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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
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Income statement information

Total sales of goods and services	8089 +	151,220,000	134,200,000
Cost of sales	8518 –	150,328,000	135,397,000
Gross profit/loss	8519 =	892,000	-1,197,000
Cost of sales	8518 +	150,328,000	135,397,000
Total operating expenses	9367 +	31,025,000	25,527,000
Total expenses (mandatory field)	9368 =	181,353,000	160,924,000
Total revenue (mandatory field)	8299 +	185,106,000	167,017,000
Total expenses (mandatory field)	9368 –	181,353,000	160,924,000
Net non-farming income	9369 =	3,753,000	6,093,000

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 =	3,753,000	6,093,000
--	--------	-----------	-----------

Total – other comprehensive income	9998 =	-1,792,000	-2,713,000
--	--------	------------	------------

Extraordinary items and income (linked to Schedule 140)

Extraordinary item(s)	9975 –		
Legal settlements	9976 –		
Unrealized gains/losses	9980 +		
Unusual items	9985 –		
Current income taxes	9990 –	5,000	-165,000
Future (deferred) income tax provision	9995 –		
Total – Other comprehensive income	9998 +	-1,792,000	-2,713,000
Net income/loss after taxes and extraordinary items (mandatory field)	9999 =	1,956,000	3,545,000

**General Index of Financial Information (GIFI) – Additional Information**

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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 ☒ No ☐

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

Does that person have a professional designation in accounting? **095** Yes ☒ No ☐

Is that person connected** with the corporation? **097** Yes ☐ No ☒

* 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** ☒

Completed a review engagement report **301** ☐

Conducted a compilation engagement **302** ☐

Provided accounting services **303** ☐

Provided bookkeeping services **304** ☐

Other (please specify) **305**

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 ☒

Part 4 – Other information

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

Did the corporation have any subsequent events? **104** Yes ☐ No ☒

Did the corporation re-evaluate its assets during the tax year? **105** Yes ☐ No ☒

Did the corporation have any contingent liabilities during the tax year? **106** Yes ☐ No ☒

Did the corporation have any commitments during the tax year? **107** Yes ☒ No ☐

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

Part 4 – Other information (continued)**Impairment and fair value changes**

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

200 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	-1,792,000
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** _____

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

Oshawa PUC Networks Inc. (the "Corporation") was incorporated under the Business Corporations Act (Ontario) on October 18, 2000. The incorporation was required in accordance with the provincial government's Electricity Act, 1998. The Corporation is a local distribution company ("LDC") that provides electricity distribution services to businesses and residences in the service area of Oshawa, Ontario.

The Corporation is a wholly owned subsidiary of Oshawa Power and Utilities Corporation, which is wholly owned by the Corporation of the City of Oshawa (the "City").

The Corporation has evaluated the events and transactions after the balance sheet date through to April 29, 2025, when the Corporation's Board of Directors approved and authorized the financial statements.

1. Significant accounting policies:

The significant accounting policies used in the preparation of these financial statements have been applied consistently to all years presented herein.

(a) Basis of presentation:

The Corporation's financial statements have been prepared by management in accordance with International Financial Reporting Standards ("IFRS") as adopted by the International Accounting Standards Board ("IASB") and interpretations as issued by the International Financial Reporting Interpretations Committee ("IFRIC") of the IASB, and reflects the significant accounting policies summarized below. Certain prior year figures have been reclassified to conform to the presentation of the current year.

(b) Rate setting and regulation:

The Ontario Energy Board ("OEB") has regulatory oversight of electricity matters in the Province of Ontario. The Ontario Energy Board Act, 1998 sets out the OEB's powers, including the issuance of distribution licenses that must be obtained by any person owning or operating a distribution system under the Ontario Energy Board Act, 1998. The OEB is charged with the responsibility of approving or setting rates for the transmission and distribution of electricity and for ensuring that LDCs fulfil their obligations to connect and service customers.

1. Significant accounting policies (continued):

In July 2020, the Corporation filed its Price Cap Incentive rate-setting application with the OEB seeking approval to change rates that it charges for electricity delivery, retail services, allowances, loss factor and specific services charges, for the five-year period commencing on January 1, 2021. This application requested a revenue requirement to recover costs, and provides a rate of return on a deemed capital structure applied to rate base assets.

The OEB issued its decision and rate order on February 18, 2021 approving rates and charges effective February 1, 2021.

The OEB has the general authority to include or exclude costs and revenue in the rates of a specific period, resulting in a change in the timing of accounting recognition from that which would have applied in an unregulated company under IFRS.

The following regulatory practices relating to regulatory balances, and payments in lieu of corporate income taxes, have resulted in accounting treatments that differ from IFRS for enterprises operating in a non-regulated environment.

(i) Regulatory Deferral Accounts:

IFRS 14, Regulatory Deferral Accounts, allows the Corporation to utilize pre-IFRS Canadian Generally Accepted Accounting Principles ("IFRS 14") with respect to the recognition of regulatory balances that address the deferral

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

of specific non-income related cash inflows and outflows.

Regulatory debits primarily represent costs that have been deferred because it is probable that they will be recovered in future rates. Similarly, regulatory credits can arise from differences in amounts billed to customers for electricity services and the costs that the Corporation incurs to purchase and deliver these services. Certain costs and variance account balances are deemed to be regulatory balances and are reflected in the LDC's balance sheet until the manner and timing of disposition is determined by the OEB.

(ii) Payments in lieu of corporate income taxes ("PILs"):

The Corporation provides for PILs using the deferred income taxes method for its regulated activities as permitted by the IASB and the OEB.

1. Significant accounting policies (continued):

(c) Inventory:

Inventory, which consists of parts and supplies acquired for internal maintenance or construction, is valued at the lower of cost and net realizable value, with cost being determined on a weighted average basis.

(d) Property, plant and equipment:

Items of property, plant and equipment ("PP&E") are measured at cost or deemed cost on transition date, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, 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 and are based on OEB prescribed rates.

When parts of an item of PP&E have different useful lives, they are separately depreciated as components of PP&E.

Subsequent expenditures are included in an asset's carrying amount or recognized as a separate asset, where appropriate, only when it is probable that future economic benefits associated with the item will flow to the Corporation and the cost can be reliably measured.

Under IFRS, an asset is derecognized at its carrying value when it is disposed of or when no future economic benefits are expected from its use.

The gain or loss arising on the disposal or retirement of an item of PP&E is determined as the difference between the proceeds from sale and the carrying amount of the asset, and is recognized in the statement of comprehensive income.

Depreciation of PP&E is recorded in the statement of comprehensive income on a straight-line basis over the estimated useful lives of the components of PP&E. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each annual reporting year, with the effect of any changes in estimates being accounted for on a prospective basis.

1. Significant accounting policies (continued):

Depreciation rates representing estimated useful lives for the main categories of PP&E are shown in the table below:

Buildings 1.61% - 2.38%

Transmission, distribution system and meters 1.67% - 10%

Equipment and furniture 5% - 20%

Computer hardware 25%

Vehicle fleet 8.33% - 12.50%

Construction in progress comprises property, plant and equipment under construction, property, plant and equipment not yet placed into service and pre-construction activities related to specific projects expected to be

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

constructed. These assets are not depreciated until they are in the location and condition necessary for them to be capable of operating in the manner intended by the Corporation.

In the absence of rate regulation, overhead costs that are not directly attributable to construction activity are not capitalized.

(e) Intangible assets:

Intangible assets are assets that lack physical substance, other than financial assets. Intangible assets, which consist of computer software, deferred indefeasible right-of-use ("IRU") lease, and payments made to Hydro One Networks Inc. ("HONI") for dedicated infrastructure in order to receive connections to transmission facilities, are recorded at cost less accumulated amortization. Amortization of intangible assets is recorded on a straight-line basis over the estimated useful life of the related asset, or over the term of the IRU, and recorded in the statement of comprehensive income. Amortization rates representing estimated useful lives for intangible assets are shown below:

Computer software 33.33%

IRU lease 20 years

1. Significant accounting policies (continued):

(f) Provisions, Contingencies, and Asset retirement obligations:

The Company recognizes provisions if, as a result of a past event, there is a present legal or constructive obligation that can be measured 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, where appropriate, the risks specific to the liability. The need to estimate the cost of decommissioning or asset retirement obligations ("AROs") at the end of the useful lives of certain assets, is reviewed periodically.

The evaluation of the likelihood of the contingent events requires judgment by management as to the probability of exposure to potential gain or loss. Actual results could differ from these estimates.

As at December 31, 2024, the Corporation recognized the obligation to decommission certain buildings located at 100 Simcoe Street South.

(g) Impairment of non-financial assets:

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

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use and are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The recoverable amount of an asset or cash-generating unit 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 cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in net income.

1. Significant accounting policies (continued):

(h) Pension and other post-employment benefits:

The Corporation provides pension benefits for its employees through the

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

Ontario Municipal Employees' Retirement System ("OMERS") Fund (the "OMERS Fund"), a multi-employer public sector pension fund. The OMERS Fund is a defined benefit pension plan, which is financed by equal contributions from participating employers and employees and by the investment earnings of the OMERS Fund. Although the plan is a defined benefit plan, sufficient information is not available to the Corporation to account for it as such because it is not possible to attribute the fund assets and liabilities between the various employers who contribute to the fund. Accordingly, contributions payable as a result of employee service are expensed when incurred as part of operating costs.

Employee future benefits, other than pensions provided by the Corporation, include supplemental health, dental and life insurance. These plans provide defined benefits to certain retired employees, their spouses and surviving spouses when the employees are no longer providing active service. Retiree benefits expense is recognized in the year during which the employees render services.

The liability for post-employment non-pension retirement benefits is recorded on an accrual basis. The Corporation actuarially determines the cost of post-employment benefits offered to employees and certain retirees, including their spouses and surviving spouses, using the projected benefit method, prorated on service and based on management's best estimates. Under this method, the projected post-retirement benefits are deemed to be earned on a pro rata basis over the employee's years of service in the attribution period commencing at the date of hire, and ending at the earliest age the employee could retire and qualify for benefits.

The current service cost for a year is equal to the actuarial present value of benefits attributed to employees' services rendered during the year. Past service costs from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of amendment.

Current service costs are recognized in the statement of comprehensive income under operations, maintenance and administrative expenses.

1. Significant accounting policies (continued):

The Corporation applies IFRS 14 to recognize all cumulative actuarial gains or losses in a deferral account as at January 1, 2014. Remeasurements arising from defined benefit plans are recognized immediately in other comprehensive income ("OCI") and reported in accumulated other comprehensive income.

Amounts recorded in OCI are not recycled to the statement of comprehensive income. The Corporation, as permitted by the OEB, created a deferral account to capture all actuarial gains and losses going forward. The disposition of this deferral account will occur sometime in the future in accordance with OEB guidelines in effect at that appropriate time.

(i) Customer advance deposits:

Customer advance deposits represent cash collections from customers that are available to offset the payment of energy bills or other services. Customers may be required to post security to obtain electricity or other services. Where the security posted is in the form of cash or cash equivalents, these amounts are recorded in the accounts as securities held in respect of customer deposits. Interest is paid on customer balances at rates established by the Corporation in accordance with OEB guidelines.

(j) Customer advance payments:

Customer advance payments consist of both the Equal Payment Plan and customer advance payments.

(k) Deferred contributions:

Certain assets may be acquired or constructed with financial assistance in

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

the form of contributions from customers when the estimated revenue is less than the cost of providing service or where special equipment is needed to supply the customers' specific requirements.

1. Significant accounting policies (continued):

Capital contributions received in advance from electricity customers and developers to construct or acquire PP&E for the purpose of connecting a customer to a network are recorded as deferred revenue and amortized into other revenue at an equivalent rate to that used for the depreciation of the related PP&E. Capital contributions received from developers to construct or acquire PP&E for the purpose of connecting future customers to the distribution network are considered out of scope of IFRS 15, Revenue from Contracts with Customers.

Deposits received from developers prior to construction are held by the Corporation during the work in progress phase of the project and settled once all assets are in service.

(1) Financial instruments:

(i) Initial and subsequent measurement:

At initial recognition, all financial instruments are measured at fair value plus or minus transaction costs, with the exception of accounts receivable which are initially recognized at the transaction price and financial instruments fair value through profit or loss which are initially recognized at fair value.

Financial assets are subsequently measured at either amortized cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL") based on the cash flow characteristics of the assets and the business models under which they are managed. All of the Corporation's financial assets are held for collection of contractual cash flows that represent payments of principal and interest and, accordingly, are subsequently measured at amortized cost using the effective interest rate method. These include cash, restricted cash, and accounts receivable.

Financial liabilities are either subsequently measured at FVTPL or amortized cost, except for interest rate swaps used in hedge accounting. The Corporation's financial liabilities measured at amortized cost include accounts payable for power - Independent Electricity System Operator ("IESO"), accounts payable and accrued liabilities, long-term debt, and customer advance deposits.

1. Significant accounting policies (continued):

(ii) Impairment:

The Corporation recognizes an allowance for expected credit losses ("ECL") for all financial assets not held at FVTPL. The Corporation applies the simplified approach to its accounts receivable which requires expected lifetime losses to be recognized from initial recognition of the receivables and on an ongoing basis. The measurement of ECL for accounts receivable is based on management's judgment. This is determined using a provision matrix based on historical observed default rates, adjusted for forward-looking factors specific to the debtors and the economic environment. For financial assets other than accounts receivable, ECL are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECL are provided for credit losses that result from default events that are possible within the next 12 months. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default. The Corporation considers a financial asset in

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

default when contractual payments are 90 days past due. However, in certain cases, the Corporation may also consider a financial asset to be in default when internal or external information indicates that the Corporation is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Corporation. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the asset. All impairment losses are recognized in net income.

(iii) Derivative financial instruments and hedge accounting:

Derivative financial instruments in the form of interest rate swap contracts are used to manage exposure to fluctuations in interest rates on the Corporation's long-term debt, which are designated as cash flow hedges as it is hedging the exposure to variability in cash flows that is attributable to interest rate risk associated with the long-term debt. The Corporation does not enter into derivative agreements for speculative purposes.

1. Significant accounting policies (continued):

At the inception of a hedging relationship, the Corporation designates and formally documents the relationship between the hedging instrument and the hedged item, the risk management objective, and its strategy for undertaking the hedge. The Corporation also assesses on an on-going basis whether the hedge continues to be effective, including that the hedge ratio remains appropriate.

The interest rate swaps are measured at their fair value upon initial recognition and on each subsequent reporting date. When the cash flow hedge meets all the qualifying criteria for hedge accounting, the effective portion of the gain or loss on the hedging instrument is recognized in other comprehensive income ("OCI"), while any ineffective portion is recognized immediately in net income. The amount accumulated in OCI is reclassified to net income as a reclassification adjustment in the same period or periods during which the hedged cash flows affect net income, and recorded within interest expense.

If cash flow hedge accounting is discontinued, the amount that has been accumulated in OCI must remain in accumulated OCI if the hedged future cash flows are still expected to occur. Otherwise, the amount will be immediately reclassified to net income as a reclassification adjustment.

(m) Leases:

As a lessee, the Corporation leases its office premises with the City, as well as IT office equipment.

Under IFRS 16 Leases ("IFRS 16"), the Corporation recognizes right-of-use assets and lease liabilities for all of these leases. The Corporation has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

1. Significant accounting policies (continued):

(n) Revenue recognition:

The Corporation has identified that its material performance obligation is the distribution and provision of electricity to customers. Revenue is measured at the fair value of the consideration received or receivable, excluding any discounts, rebates and sales taxes. The Corporation has

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

determined that it acts as a principal in all of its revenue arrangements. The Corporation is licensed by the OEB to distribute electricity. As a licensed distributor, the Corporation is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity services, such as transmission services and other services provided by third parties. The Corporation is required, pursuant to the regulation, to remit such amounts to these third parties, irrespective of whether the Corporation ultimately collects these amounts from customers. The Corporation has determined that they are acting as a principal for the distribution of electricity and, therefore, have presented the sale of electrical energy revenue on a gross basis.

Distribution revenue for the Corporation is recognized at approved rates, as electricity is delivered to customers and is recorded on the basis of regular meter readings and estimated customer usage since the last meter reading date to the end of the year. The related cost of power is recorded on the basis of power used.

Distribution revenue attributable to the delivery of electricity is based upon OEB-approved distribution tariff rates and includes the amounts billed to customers for electricity, including the cost of electricity supplied, distribution charges and any regulatory charges. Revenue is recognized as electricity is delivered and consumed by customers. Revenue includes an estimate of unbilled revenue. Unbilled revenue represents an estimate of electricity consumed by customers since the date of each customer's last meter reading. Actual electricity usage could differ from those estimates. Regulated service revenue represents charges to energy customers for services such as late payments, collection fees, account set-up fees, pole attachment charges, and reconnect and disconnect charges. Regulated service revenue is recognized as services are rendered.

Service revenue primarily includes duct rental revenue that is recognized as services are rendered and time expires.

1. Significant accounting policies (continued):

Capital contributions received from electricity customers to construct or acquire PP&E for the purpose of connecting a customer to a network, are recorded as a deferred contribution on the balance sheet and amortization is presented as revenue from deferred contributions on the statement of comprehensive income at an equivalent rate to that used for the depreciation of the related PP&E.

Other revenue and interest are recognized as services are rendered, projects completed or when interest is earned. Revenue and costs associated with Conservation and Demand Management ("CDM") programs are presented using the net basis of accounting within other revenue. Performance incentive payments under CDM programs are recognized by the Corporation when there is reasonable assurance that the program conditions have been satisfied and the incentive payments will be received.

(o) PILs:

Under the Electricity Act, 1998, and effective October 1, 2001, the Corporation incurs PILs that are remitted to the Ministry of Finance. These payments are calculated in accordance with the rules for computing income and taxable capital, and other relevant amounts contained in the Income Tax Act (Canada) and the Corporations Tax Act (Ontario) as modified by the Electricity Act, 1998 and related regulations. Payments remitted to Ontario Electricity Financial Corporation are designated to be applied against the stranded debt of Ontario Power Generation, formerly Ontario Hydro.

The Corporation recognizes deferred income taxes using the balance sheet method. Under this method, provisions are made for deferred income taxes as

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

a result of temporary differences between the tax bases of assets and liabilities and their carrying amounts for accounting purposes. Deferred income tax assets and liabilities are measured using enacted or substantively enacted tax rates, at the reporting date, expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. When deferred income taxes become payable, it is expected that they will be included in the rates approved by the OEB and recovered from the customers of the Corporation at that time. Deferred income tax assets and liabilities are offset since they relate to income taxes levied by the same taxation authority.

A deferred income tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred income tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

1. Significant accounting policies (continued):

The OEB's Electricity Distribution Rate Handbook provides for the recovery of PILs by LDCs through annual distribution rate adjustments as permitted by the OEB.

The method that has been used to set the PILs portion of the Corporation's rates for 2024 is consistent with the approach used in past periods.

Current income taxes are based on taxable profit or loss for the year, which differ from profit or loss as reported in the statement of comprehensive income because it excludes items that are taxable or deductible in other years and items that are neither taxable nor deductible.

(p) Measurement uncertainty:

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting year. Certain estimates are necessary since the regulatory environment in which the Corporation operates requires amounts to be recorded at estimated values until finalization and adjustment pursuant to subsequent regulatory decisions or other regulatory proceedings. Due to inherent uncertainty involved in making such estimates, actual results could differ from those estimates, including changes as a result of future decisions made by the OEB, the Ministry of Energy and Infrastructure or the Ministry of Finance.

Estimation uncertainty may exist in the following financial notes:

(i) Note 7 - measurement of post-employment non-pension retirement benefits: key actuarial assumptions; and

(ii) Note 14 - ECL.

Management uses judgment in the following:

(iii) Note 2 and note 3 - estimation of useful lives of PP&E and intangible assets;

(iv) Note 4 and note 6 - recognition and measurement of regulatory balances; and

(v) Note 13 - recognition and measurement of commitments and contingencies.

1. Significant accounting policies (continued):

(q) Future accounting policies:

At the date of authorization of these financial statements, certain new standards and amendments to existing standards have been published but are not yet effective, and have not been early adopted by the Corporation.

Information on new standards and amendments that are expected to be relevant

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

to the Corporation's financial statements is provided below. Management is currently assessing the financial statement impact of adopting the following amendments to existing accounting standards for future reporting.

(a) Effective January 1, 2026:

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures.

(b) Effective January 1, 2027:

Presentation and Disclosure in Financial Statements - IFRS 18

Subsidiaries without Public Accountability: Disclosures - IFRS 19

2. Property, plant and equipment:

Property, plant and equipment consist of the following as at December 31, 2024:

Additions/ January 1, Transfers/ Disposals/ December 31, 2024 depreciation retirements 2024				
Cost				
Transmission and distribution:				
Transformers	\$ 71,501	\$ 2,548	\$ (628)	\$ 73,421
Underground distribution	73,032	4,567	-	77,599
Poles, towers and fixtures	69,182	3,836	(113)	72,905
Station equipment	28,360	2,238	-	30,598
Overhead distribution	35,280	(1,142)	(87)	34,051
Meters	17,073	802	(82)	17,793
	294,428	12,849	(910)	306,367
Construction in progress	9,169	15,078	-	24,247
Other property, plant and equipment:				
Vehicle fleet	6,179	61	(368)	5,872
Equipment and furniture	11,743	468	-	12,211
Computer hardware	4,653	40	-	4,693
Buildings	5,847	(268)	-	5,579
Land	294	-	-	294
	28,716	301	(368)	28,649
Total cost	\$ 332,313	\$ 28,228	\$ (1,278)	\$ 359,263
Accumulated depreciation				
Transmission and distribution:				
Transformers	\$ 34,758	\$ 1,322	\$ (457)	\$ 35,623
Underground distribution	27,215	1,705	-	28,920
Poles, towers and fixtures	19,097	1,384	(101)	20,380
Station equipment	11,903	688	-	12,591
Overhead distribution	9,637	534	(74)	10,097
Meters	10,525	510	(78)	10,957
	113,135	6,143	(710)	118,568
Other property, plant and equipment:				
Vehicle fleet	3,883	295	(307)	3,871
Equipment and furniture	10,276	610	-	10,886
Computer hardware	3,719	337	-	4,056
Buildings	1,026	101	-	1,127
	18,904	1,343	(307)	19,940
Total accumulated depreciation	\$ 132,039	\$ 7,486	\$ (1,017)	\$ 138,508
Carrying amount	\$ 200,274	\$ 20,742	\$ (261)	\$ 220,755

2. Property, plant and equipment (continued):

Property, plant and equipment consist of the following as at December 31, 2023:

January 1, Additions/ Disposals/ December 31,

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

2023 depreciation retirements 2023

Cost

Transmission and distribution:

Transformers \$ 67,609 \$ 4,742 \$ (850) \$ 71,501

Underground distribution 68,909 4,123 - 73,032

Poles, towers and fixtures 65,010 4,390 (218) 69,182

Station equipment 28,360 - - 28,360

Overhead distribution 30,159 5,551 (430) 35,280

Meters 16,347 735 (11) 17,073

276,396 19,541 (1,509) 294,428

Construction in progress 8,780 389 - 9,169

Other property, plant and equipment:

Vehicle fleet 5,967 768 (556) 6,179

Equipment and furniture 10,892 851 - 11,743

Computer hardware 4,316 337 - 4,653

Buildings 5,847 - - 5,847

Land 294 - - 294

27,316 1,956 (556) 28,716

Total cost \$ 312,492 \$ 21,886 \$ (2,065) \$ 332,313

Accumulated depreciation

Transmission and distribution:

Transformers \$ 34,346 \$ 1,236 \$ (824) \$ 34,758

Underground distribution 25,503 1,712 - 27,215

Poles, towers and fixtures 18,003 1,287 (193) 19,097

Station equipment 11,281 622 - 11,903

Overhead distribution 9,561 483 (407) 9,637

Meters 10,030 500 (5) 10,525

108,724 5,840 (1,429) 113,135

Other property, plant and equipment:

Vehicle fleet 4,168 271 (556) 3,883

Equipment and furniture 9,360 916 - 10,276

Computer hardware 3,375 344 - 3,719

Buildings 940 86 - 1,026

17,843 1,617 (556) 18,904

Total accumulated depreciation \$ 126,567 \$ 7,457 \$ (1,985) \$ 132,039

Carrying amount \$ 185,925 \$ 14,429 \$ (80) \$ 200,274

2. Property, plant and equipment (continued):

For the year ended December 31, 2024, ascribed interest capitalized to property, plant and equipment as prescribed by the OEB amounted to \$373 (2023 - \$298). In the absence of rate regulation, additions to property, plant and equipment would have been \$373 lower (2023 - \$298 lower) and interest expense would have been \$373 higher (2023 - \$298 higher).

3. Intangible assets:

January 1, Additions/ Disposals/ December 31,

2024 depreciation retirements 2024

Cost

Deferred IRU lease \$ 606 \$ - \$ - \$ 606

Computer software 3,815 512 - 4,327

HONI contribution 4,181 - - 4,181

\$ 8,602 \$ 512 \$ - \$ 9,114

Accumulated depreciation

Deferred IRU lease \$ 464 \$ 30 \$ - \$ 494

Computer software 2,840 471 - 3,311

HONI contribution 759 167 - 926

\$ 4,063 \$ 668 \$ - \$ 4,731

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

Carrying amount \$ 4,539 \$ (156) \$ - \$ 4,383

3. Intangible assets (continued):

January 1, Additions/ Disposals/ December 31,
2023 depreciation retirements 2023

Cost

Deferred IRU lease \$ 606 \$ - \$ - \$ 606

Computer software 2,817 998 - 3,815

HONI contribution 4,174 7 - 4,181

\$ 7,597 \$ 1,005 \$ - \$ 8,602

Accumulated depreciation

Deferred IRU lease \$ 433 \$ 31 \$ - \$ 464

Computer software 2,600 240 - 2,840

HONI contribution 599 160 - 759

\$ 3,632 \$ 431 \$ - \$ 4,063

Carrying amount \$ 3,965 \$ 574 \$ - \$ 4,539

4. Regulatory balances:

Regulatory debits balances consist of the following:

Balances

arising

January 1, in the Recovery/ December 31,

2024 year reversal 2024

Regulatory debit balances:

Retail settlement

variance - power \$ 469 \$ (990) \$ 787 \$ 266

Retail settlement

variance - global

adjustment - 1,153 481 1,634

Retail settlement

variance - other 5,239 (5,239) - -

Deferred income taxes 5,419 1,313 - 6,732

Post-employment

benefits deferral - - - -

Regulatory debit

balances - other - - - -

Regulatory Asset Recovery

Account ("RARA") - 2,129 (1,942) 187

Total \$ 11,127 \$ (1,634) \$ (674) \$ 8,819

Balances

arising

January 1, in the Recovery/ December 31,

2023 year reversal 2023

Regulatory debit balances:

Retail settlement

variance - power \$ - \$ (3,584) \$ 4,053 \$ 469

Retail settlement

variance - other 7,465 314 (2,540) 5,239

Deferred income taxes 3,034 2,385 - 5,419

Post-employment

benefits deferral - - - -

Regulatory debit

balances - other 125 (125) - -

Total \$ 10,624 \$ (1,010) \$ 1,513 \$ 11,127

4. Regulatory balances (continued):

Regulatory credit balances consist of the following:

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

Balances
arising
January 1, in the Recovery/ December 31,
2024 year reversal 2024

Regulatory credit balances:

Retail settlement
variance - power \$ - \$ - \$ - \$ -

Retail settlement
variance - global
adjustment 15 (15) - -

Retail settlement
variance - other - (4,374) 5,169 795

Regulatory Asset Recovery
Account ("RARA") 1,531 (1,531) - -

Post-employment
benefits deferral 1,622 2,712 - 4,334

Regulatory credit
balances - other 801 (142) (212) 447

Total \$ 3,969 \$ (3,350) \$ 4,957 \$ 5,576

Balances
arising
January 1, in the Recovery/ December 31,
2023 year reversal 2023

Regulatory credit balances:

Retail settlement
variance - power \$ 4,161 \$ (4,161) \$ - \$ -

Retail settlement
variance - global
adjustment 1,338 (647) (676) 15

Regulatory Asset Recovery
Account ("RARA") 538 2,434 (1,441) 1,531

Post-employment
benefits deferral 4,343 (2,721) - 1,622

Regulatory credit
balances - other 798 136 (133) 801

Total \$ 11,178 \$ (4,959) \$ (2,250) \$ 3,969

4. Regulatory balances (continued):

The "Balances arising in the year" column consists of new additions to regulatory balances (for both debits and credits). The "Recovery/reversal" column consists of amounts disposed through OEB-approved rate riders or transactions reversing an existing regulatory balance. Net movements in regulatory balances, net of tax, is \$(789) (2023 - \$1,082).

The regulatory balances of the Corporation consist of the following:

(a) Retail settlement variances:

The retail settlement variances relate to charges the Corporation has incurred for transmission services, generation and wholesale market operations from the IESO, that were not settled with customers during the year through approved rates. The nature of the settlement variances is such that the balance can fluctuate between debit and credit over time and are reported at year-end dates in accordance with rules prescribed by the OEB. Under rate regulation, the variances that would be recorded as revenue or expense when incurred under IFRS are deferred until collected or repaid through future rates. The Corporation has accrued interest on the regulatory debit or credit balances, as directed by the OEB.

On December 12, 2024, the Corporation received approval from the OEB for the disposition of certain regulatory account balances. The disposition is to be

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

adjusted through customer rates over one year with (\$1,026) expected to be recognized in 2025. The remaining deferral balances are expected to be approved for disposition in future periods.

(i) Retail settlement variance - power:

The retail settlement variance - power account is established for the purpose of recording the net difference in energy cost only. Net difference refers to the difference between the amount charged by the IESO on the settlement invoice for the energy cost and the amount billed to customers for the energy cost.

On December 12, 2024, the Corporation received approval for the disposition of the December 31, 2023 balance in its 2025 rate application to the OEB. Settlement will occur over a 12-month period commencing on January 1, 2025. The remaining deferral balances are expected to be approved for disposition in future periods.

(ii) Retail settlement variance - global adjustment:

The global adjustment variance account is established for the purpose of recording the net difference in the global adjustment attributable to customers. Net difference refers to the difference between the amount charged or credited by the IESO for the global adjustment, and the amount billed to customers for the global adjustment.

The global adjustment arises mainly due to a difference between the spot price charged by the IESO to market participants and the blended price paid by the IESO under the various contracts with electricity generators and suppliers.

On December 12, 2024, the Corporation received approval for the disposition of the December 31, 2023 balance in its 2025 rate application to the OEB. Settlement will occur over a 12-month period commencing on January 1, 2025. The remaining deferral balances are expected to be approved for disposition in future periods.

(ii) Retail settlement variances - other:

This item refers to a set of accounts that will separately capture information relating to wholesale market service charges, non-recurring wholesale market service charges, retail transmission network service charges and retail transmission connection service charges. Retail settlement variances - other, is used to record the net difference between the amount paid in the month to the IESO for the services listed above and the amount billed to customers and retailers in the month based on OEB approved rates. On December 12, 2024, the Corporation received approval for the disposition of the December 31, 2023 balance in its 2025 rate application to the OEB. Settlement will occur over a 12-month period commencing on January 1, 2025. The remaining deferral balances are expected to be approved for disposition in future periods.

(b) RARA:

Effective May 2006, the RARA was approved by the OEB. This account is used to record the disposition of deferral and variance account balances, by means of a rate rider, for which approval to recover (or refund) has been granted by the OEB as part of the regulatory process. The balance remaining as at December 31, 2024 represents the opening balance approved for recovery, amounts collected during the year, and the deferral and variance account balances approved for disposition by the OEB on December 14, 2023 as part of the Corporation's 2024 rate application for rates effective January 1, 2024. This rate expires December 31, 2024.

(c) Deferred income taxes to be paid to customers:

An offset to deferred income tax assets relating to the regulated business has been recorded in the accounts as a regulatory debit balance. As deferred income tax assets are realized, the asset for deferred income taxes to be

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

collected from customers will be settled through OEB approved rates.

(d) Post-employment benefits deferral:

This regulatory balance accumulates the actuarial gains and losses arising from changes in actuarial assumptions and experience adjustments. The balance arising during the year ended December 31, 2024 is primarily related to the actuarial gain recorded. No disposition is currently planned as the balance is derived mainly from actuarial valuation changes and not monetary income or expense.

(e) Regulatory accrued interest:

Interest is earned or charged on regulatory balances at OEB prescribed rates and are recorded to the related regulatory account.

5. Deferred contributions:

The continuity of deferred contributions is as follows:

2024 2023

Deferred contributions, net, beginning of year \$ 45,571 \$ 43,215

Deferred contributions received 3,262 4,868

Deferred developer deposits 768 (1,225)

Deferred contributions recognized as revenue (1,399) (1,287)

Deferred contributions, net, end of year 48,202 45,571

Less current portion 678 721

Deferred contributions long-term portion \$ 47,524 \$ 44,850

6. PILs:

The provision for PILs differs from the amount that would have been recorded using the combined Canadian federal and Ontario statutory income tax rates. The reconciliation between the statutory and effective tax rates is provided as follows:

2024 2023

Income before PILs \$ 4,542 \$ 5,011

Net movements in regulatory balances (789) 1,082

Net income after net movements in regulatory balances, before PILs \$ 3,753 \$ 6,093

Combined Canadian federal and Ontario statutory income tax rate 26.50% 26.50%

Expected provision for PILs at statutory tax rates \$ 995 \$ 1,614

Property, plant and equipment (401) (1,284)

Post-employment non-pension benefits (6) (29)

Corporate minimum taxes 101 164

Other (585) (551)

Cost allocations (99) (79)

Provision for PILs \$ 5 \$ (165)

Effective tax rates 0.14% (2.73%)

6. PILs (continued):

Income tax expense as presented in the statement of comprehensive income is as follows:

2024 2023

Current tax expense:

Current PILs charge \$ 5 \$ (165)

Deferred tax expense:

Origination and reversal of temporary differences 1,313 2,385

Deferred taxes transferred to

regulatory credits (note 4) (1,313) (2,385)

- -

Income tax expense charged to net income for the year \$ 5 \$ (165)

As at December 31, 2024, the Corporation has recognized \$6,732 in regulatory debit balances and a corresponding offset to deferred income tax liability

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

(2023 - \$5,419).

Deferred income tax liabilities:

Deferred income taxes reflect the net effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. The net deferred income tax liabilities consist of the following:

Recognized in

January 1, regulatory Recognized December 31,
2024 balances in OCI 2024

Components of deferred

income tax liabilities:

PP&E \$ 9,492 \$ 1,674 \$ - \$ 11,166

Employee post-employment

non-pension benefits (2,966) 724 - (2,242)

Other taxable temporary

differences (1,107) (1,085) - (2,192)

Other taxable temporary

differences - OCI 978 - (646) 332

Total \$ 6,397 \$ 1,313 \$ (646) \$ 7,064

Recognized in

January 1, regulatory Recognized December 31,
2023 balances in OCI 2023

Components of deferred

income tax liabilities:

PP&E \$ 6,898 \$ 2,594 \$ - \$ 9,492

Employee post-employment

non-pension benefits (2,274) (692) - (2,966)

Other taxable temporary

differences (1,590) 483 - (1,107)

Other taxable temporary

differences - OCI - - 978 978

Total \$ 3,034 \$ 2,385 \$ 978 \$ 6,397

7. Employee benefits:

(a) Pension costs

The Corporation's eligible employees participate in a defined benefit pension plan through OMERS. As at December 31, 2024, the OMERS plan was 98.0% funded (December 31, 2023 - 97.0%). 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. For the year ended December 31, 2024, the Corporation's contributions were \$1,049 (2023 - \$888). OMERS contribution rates were 9.0% up to the year's maximum pensionable earnings ("YMPE") and 14.6% over the YMPE for normal retirement age ("NRA") of 65 (2023 - 9.0% up to YMPE and 14.6% over YMPE for NRA of 65).

(b) Post-employment non-pension retirement benefits:

The Corporation provides post-employment benefits, principally supplemental health and dental coverage, for certain employees who retire from active employment.

(c) Accrued benefit obligations:

The Corporation measures its accrued benefit obligations as at December 31 of each year. The latest actuarial valuation was performed as at December 31, 2024.

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

7. Employee benefits (continued):

Changes in post-employment non-pension retirement benefits:

2024 2023

Post-employment non-pension retirement benefits,

beginning of year \$ 11,192 \$ 8,580

Net periodic benefits cost accrued 577 479

Benefits paid (599) (588)

Recognized loss (gain) (2,711) 2,721

Post-employment non-pension retirement benefits,

end of year \$ 8,459 \$ 11,192

Components for net periodic benefit costs:

2024 2023

Current service cost \$ 69 \$ 60

Imputed interest cost 508 419

Net periodic benefit cost accrual for the year \$ 577 \$ 479

Significant actuarial assumptions:

2024 2023

Discount rate applied to the calculation of future benefits 4.70% 4.65%

Rate of compound compensation increase

used in determining future costs 3.00% 3.00%

7. Employee benefits (continued):

The current service cost for a year is equal to the actuarial present value of benefits attributed to employees' services rendered during the year. Past service costs from plan amendments are amortized on a straight-line basis over the average remaining service period of employees active at the date of amendment.

The actuarial valuation as at December 31, 2024 assumed health care costs would increase 7% (2023 - 7%) in the year following the valuation. This rate of increase is then reduced annually to a rate of 4% six years following the valuation (2023 - 4% after six years).

Dental costs are assumed to increase by 4% per year (2023 - 4%) beginning in the year following the valuation.

The dispensing fee portion of health care costs is limited to twelve dollars and ninety-nine cents; the current maximum allowed under the benefits plan.

(d) Sensitivity analysis:

The main actuarial assumptions underlying the valuation are as follows:

(i) Interest (discount) rate:

Assumed interest rates have a significant effect on the amounts reported for the total accrued benefit obligations and expense. A 1% change in assumed interest rates would have the following effects for 2024:

Increase Decrease

Accrued benefit obligations, December 31, 2024 \$ (940) \$ 1,157

7. Employee benefits (continued):

(ii) Health care cost trend rate:

The health care cost trend is estimated to increase at a declining rate from 7% to 4% over six years following the valuation. Dental costs are presumed to increase by 4%, beginning in the year following valuation. The approximate effect on the accrued benefit obligations if the health care cost trend rate assumption was increased or decreased by 1% is as follows:

Increase Decrease

Accrued benefit obligations, December 31, 2024 \$ 826 \$ (690)

8. Notes payable to shareholder:

In 2024, the Corporation made interest payments of \$nil (2023 - \$1,537) to the shareholder. In June 2023, the notes payable to the shareholder was

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

terminated in conjunction with the transfer of the term loans with Toronto-Dominion Commercial Bank from the parent company, Oshawa Power & Utilities Corporation, to the Corporation.

9. Debt:

The Corporation's long-term debt consists of the following:

2024 2023

Term Loan, ten year interest rate swap agreement,
maturing October 22, 2028, converting the obligation
to fixed rate of 3.649% \$ 60,000 \$ 60,000

Term Loan, ten year interest rate swap agreement,
maturing December 21, 2030, converting the obligation
to fixed rate of 2.227% \$ 20,000 \$ 20,000

Term Loan, five year four month interest rate swap
agreement, maturing October 22, 2028, converting
the obligation to fixed rate of 4.60% \$ 10,000 \$ 10,000

Term Loan, fifty two month interest rate swap
agreement, maturing October 22, 2028, converting
the obligation to fixed rate of 4.398% \$ 11,700 \$ -

Term Loan, four year interest rate swap
agreement, maturing October 22, 2028, converting
the obligation to fixed rate of 3.848% \$ 5,000 \$ -

Total debt \$ 106,700 \$ 90,000

Less current portion - -

Total long term debt \$ 106,700 \$ 90,000

a) Long-term facilities:

As of December 31, 2024 the Corporation has entered into term loans totalling \$106,700 (2023 - \$90,000) with Toronto-Dominion Commercial Bank (the "Bank"). The debt is at a variable rate of the daily Canadian Overnight Repo Rate Average (CORRA) plus 1.095% and 0.845%.

Subject to payment of any unwinding costs or receipt of benefits for unwinding the interest rate swap agreements, the Corporation has the flexibility of pre-paying the debt at its option. The corporation has committed to an additional \$5,000 credit facility not drawn upon as of December 31, 2024.

b) Short-term facilities:

The Corporation has an operating line of credit for a maximum amount of \$20,000 to assist with its working capital requirements. As of December 31, 2024, there were no outstanding balances on this line of credit (2023 - nil). The above borrowing facilities are subject to financial tests and covenants. These financial covenants are tested quarterly. In addition, these facilities are subject to other customary covenants and events of default, including an event of cross-default of amounts in excess of \$5,000. Non-compliance with such covenants could result in accelerated payments of amounts due under the facilities or their termination. The Corporation was in compliance with the above-mentioned covenants as at December 31, 2024.

10. Capital stock:

Capital stock consists of the following:

2024 2023

Authorized:

Unlimited common shares

Issued:

1,000 common shares \$ 23,064 \$ 23,064

During the year ended December 31, 2024, the Corporation declared and paid a dividend on common shares aggregating \$1,200 (2023 - \$1,100).

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

11. Related party transactions:

(a) The Corporation transacts business with the City and its affiliates in the normal course of business at commercial rates. These transactions are summarized below:

2024 2023

Revenue:

City facilities (from electricity distribution) \$ 3,762 \$ 3,598

Streetlights (from electricity distribution) 1,157 1,221

\$ 4,919 \$ 4,819

Expenses:

100 Simcoe Street South Office \$ 353 \$ 351

Property taxes 156 137

\$ 509 \$ 488

Accounts receivable:

Facilities and streetlights \$ 319 \$ 728

\$ 319 \$ 728

11. Related party transactions (continued):

(b) During the year ended December 31, 2024, the Corporation has undertaken transactions with related parties, which are entities under common control. These transactions are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Related party transactions are summarized as follows:

2024 2023

Oshawa PUC Energy Services Inc.:

Sale of electricity, administration and

maintenance services \$ 425 \$ 720

Purchase of electricity 14 25

Oshawa PUC Services Inc.:

Sale of administration and maintenance services 144 299

Purchase of services 69 72

2252112 Ontario Inc.:

Sale of electricity, administration and

maintenance services 24 87

Purchase of electricity 528 545

2825407 Ontario Inc.:

Sale of administration 144 6

Purchase of services 494 108

The Corporation receives management support from its parent, Oshawa Power and Utilities Corporation. During the year, the Corporation paid \$494 (2023 - \$293) to its parent. As at December 31, 2024, the amounts payable to Oshawa Power and Utilities Corporation is \$4,522 (2023 - \$5,108).

As at December 31, 2024, the amounts owed to the Corporation from affiliated companies consist of \$74 from Oshawa PUC Energy Services Inc. (2023 - \$21), \$199 from Oshawa PUC Services Inc. (2023 - \$175), \$3 from 2252112 Ontario Inc. (2023 - \$0), \$12 from 2825909 Ontario Inc. (2023 - \$11) and \$39 from 2825407 Ontario Inc. (2023 - \$3).

12. Leases:

The Corporation leases its premises under a lease with the City. The Corporation's lease expires May 31, 2028.

Lease liabilities were measured at the present value of the remaining lease payments, discounted at the Corporation's incremental borrowing rate of 3.05%.

Leases as lessee (IFRS 16):

(i) Right-of-use assets:

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

Right-of-use assets related to leased properties that do not meet the definition of investment property are presented as long term right-of-use lease assets on the balance sheet.

IT

Building equipment Total

Balance, December 31, 2023 1,163 - 1,163

Depreciation charge for the year (346) (4) (350)

Additions 808 52 860

Balance, December 31, 2024 \$ 1,625 \$ 48 \$ 1,673

(ii) Amounts recognized in profit or loss:

2024 2023

Interest on lease liabilities \$ 10 \$ 25

(iii) Amounts recognized in statement of cash flows:

2024 2023

Total cash outflow for leases \$ 369 \$ 389

13. Commitments and contingencies:

(a) Insurance claims:

The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange ("MEARIE"), which was created on January 1, 1987. A reciprocal insurance exchange is an Ontario group formed for the purpose of exchanging reciprocal contracts of indemnity of inter-insurance with each other. MEARIE provides general liability insurance to its member utilities. Insurance premiums charged to each Municipal Electrical Utility consist of a levy per thousand dollars of service revenue subject to a credit or surcharge based on each electric utility's claims experience.

The Corporation refers any claims received to MEARIE under the provisions of this plan. No provision has been recorded in these financial statements in respect of these matters as the Corporation has not received any claim that is not adequately covered by its insurance.

(b) Income taxes:

The tax returns filed by the Corporation are subject to review and reassessment by the Ministry of Finance for a period of up to five years from the date of filing. Any reassessment may result in a revision to previously determined tax obligations.

(c) Energy Conservation Agreement:

On December 31, 2014, the Corporation entered into an Energy Conservation Agreement with the IESO for the period from January 1, 2015 to December 31, 2020 to deliver Energy Conservation and Demand Management ("CDM") programs. The agreement provided terms under which the Corporation may engage the IESO to design and pay for province-wide CDM programs in support of the Corporation meeting its CDM targets. As a result of a revocation of the CDM programs in March 2019 by the Minister of Energy, Northern Development and Mines, the IESO has provided the Corporation with notice that the IESO has terminated the ECA effective June 20, 2019. The Corporation completed related wind down activities with the IESO in September 2024, with the intention of entering into new funding contracts for CDM programs in 2025.

13. Commitments and contingencies (continued):

Subject to the terms of the agreement, all IESO CDM program costs were to be paid by the IESO. The Corporation effectively acted as a delivery agent for those programs and was entitled to receive all of its estimated administration costs associated with each program. Any administration costs incurred by the Corporation in excess of the pre-approved estimate would not be recoverable. All other program costs incurred by the Corporation (such as customer incentives and goods and services delivered under the programs) were recoverable from the IESO on an invoiced basis in accordance with the

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

risk and liquidity risk are described below.

14. Fair values of financial instruments (continued):

Long-term debt:

The fair value of the Corporation's long-term debt is estimated using present value techniques based on borrowing rates at year-end for debt with similar terms and maturities. Long-term debt is shown net of unamortized debt issue costs.

(a) Credit risk:

Certain of the Corporation's financial assets are exposed to credit risk.

Cash consists of deposits with major commercial banks.

The Corporation, in the normal course of business, is exposed to credit risk from its customers. These accounts receivable are subject to normal industry credit risks. The Corporation records an estimate provision for expected credit losses. The Corporation also has insurance in support of certain receivables.

Management considers current economic and credit conditions in revising the estimates and judgments used in preparation of the ECL provision on its accounts receivable balances. The Corporation applies provision rates based on recent and changing trends to customer aging balances, customer collection patterns and risk of customer default and has recorded an ECL allowance of \$2,384 (2023 - \$1,979) to account for these anticipated risks.

Accounts receivable consists of the following:

2024 2023

Receivables from customers \$ 16,349 \$ 13,394

Receivables from other trade and projects 1,040 2,834
17,389 16,228

Less ECL 2,384 1,979

Total accounts receivable \$ 15,005 \$ 14,249

14. Fair values of financial instruments (continued):

Credit risk associated with accounts receivable is as follows:

2024 2023

Outstanding for not more than 30 days \$ 11,354 \$ 13,432

Outstanding for more than 30 days and not more
than 90 days 2,179 1,480

Outstanding for more than 90 days 3,856 1,316
17,389 16,228

Less ECL 2,384 1,979

Total accounts receivable \$ 15,005 \$ 14,249

The Corporation is also exposed to credit risk from the potential default of any of its counterparties on its interest rate swap agreements. The Corporation mitigates this credit risk by dealing with counterparties who are major financial institutions and which the Corporation anticipates will satisfy their obligations under the contracts. During the year, the Corporation incurred bad debt expense of \$1,472 (2023 - \$1,120) which is included in operations, maintenance, and administrative expense.

(b) Interest rate risk:

The Corporation enters into interest rate swaps in order to reduce the impact of fluctuating interest rates on its long-term debt. These swap agreements require the periodic exchange of payments without the exchange of the notional principal amount on which the payments are based. The Corporation does not enter into derivatives for speculative purposes. The fair value of the interest rate swap agreements represents an approximation of the amounts the Corporation would have paid to or received from the counterparty to unwind its positions as at year-end.

The Corporation estimates the unrealized loss on interest rate swaps to be

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

\$2,438 as at December 31, 2024. These contracts are designated as hedges, and therefore this gain has been included in OCI. This gain/loss is not expected to affect income as management intends to hold the interest rate swap contracts to maturity.

As at December 31, 2024, the Corporation had five interest rate swap agreements in place with notional amounts of \$10,000 (2023 - \$10,000), \$60,000 (2023 - \$60,000), \$20,000 (2023 - \$20,000), \$11,700 (2023 - \$0), and \$5,000 (2023 - \$0) whereby the Corporation pays fixed rates of interest of 4.60%, 3.649%, 2.227%, 4.398%, and 3.848% respectively. The swaps are being used to hedge the exposure to changes in the interest rate of its long-term debt which is at a variable rate of the daily Canadian Overnight Repo Rate Average (CORRA) plus 1.095% and 0.845%.

(c) Liquidity risk:

The Corporation monitors and manages 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 expense. The Corporation monitors cash balances to ensure that sufficient levels of liquidity are on hand to meet financial commitments as they come due.

Due within Due between Due past

1 year 1 and 5 years 5 years Total

Accounts payable for

power - IESO \$ 10,429 \$ - \$ - \$ 10,429

Accounts payable and

accrued liabilities 8,986 - - 8,986

Asset retirement

obligation - 963 - 963

Due to affiliates 4,195 - - 4,195

Customer advance

payments 502 - - 502

Deferred contributions 678 2,690 - 3,368

Lease liability 320 1,084 - 1,404

Interest rate SWAP 3,802 11,851 445 16,098

Long-term debt - 86,700 20,000 106,700

Customer advance

deposits 1,077 1,592 - 2,669

15. Collateral:

As part of its electricity purchase agreement with the IESO, an irrevocable standby letter of credit in the amount of \$7,000 was issued in October 2012, and renewed in October 2014, in favour of the IESO, as collateral support for energy amounts as determined by and payable to the IESO.

16. Capital management:

The Corporation defines capital as shareholder's equity. The Corporation's objectives when managing capital are to ensure sufficient liquidity to support its financial obligations and execute its operating and strategic plans; maintain financial capacity and access to capital to support future development of the business while taking into consideration current and future industry, market and economic risks and conditions; and utilize short-term funding sources to manage its working capital requirements.

17. Revenue:

Sale of electrical energy and distribution revenue consists of the following:

2024 2023

Sale of electrical energy \$ 151,220 \$ 134,200

Distribution revenue 30,828 29,026

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

Total electrical energy and distribution revenue \$ 182,048 \$ 163,226
Residential rate classes \$ 103,798 \$ 88,723
Commercial rate classes 77,150 73,388
Street lighting 1,100 1,115
Total electrical energy and distribution revenue \$ 182,048 \$ 163,226

18. Operations, maintenance and administration:

Operations, maintenance and administrative expense consists of the following:

2024	2023
Salaries/benefits/payroll	\$ 8,480 \$ 6,368
External services	3,813 3,449
Repairs and maintenance	879 518
Communications, postage and printing	830 909
Vehicle expenses	538 529
Bad debt expense	1,472 1,120
Administrative charges	686 472
Utilities, insurance, rent and municipal taxes	649 595
OEB regulatory fee, license and permits	565 605
Other	1,153 1,087
Total operations, maintenance and administrative	\$ 19,065 \$ 15,652

19. Correction of errors:

During 2023, the company discovered that the gain on fair value of derivatives designated as cash flows, had been erroneously reported as an unrealized loss and the loss on fair value of derivatives designated as cash flow hedges, had been erroneously reported as a gain. As a consequence, the total comprehensive income reported, was understated. The errors have been corrected by restating each of the affected financial statement line items for prior periods. The following tables summarize the impacts on the entity's financial statements.

i. Statement of Comprehensive Income

1 January 2024	As previously reported	Adjustments	As restated
(in thousands of dollars)			

Other comprehensive income:

Net income after net movement in regulatory balances	\$ 6,258	\$ -	\$ 6,258
Unrealized loss in fair value of derivatives designated as cash flows, net of income taxes	\$ (3,691)	\$ 7,382	\$ 3,691
Gain in fair value of derivatives designated as cash flow hedges, transferred to net income, net of income taxes	\$ 978	\$ (1,956)	\$ (978)
Remeasurement of post-employment benefits, net of income taxes	\$ (2,721)	\$ -	\$ (2,721)
Net movements in regulatory balances related to other comprehensive income, net of income taxes	\$ 2,721	\$ -	\$ 2,721
	\$ (2,713)	\$ 5,426	\$ 2,713
Total comprehensive income	\$ 5,426	\$ 8,971	\$ 3,545

20. Change in accounting policy:

The Corporation has adopted Classification of Liabilities as Current or Non-current (Amendments to IAS 1) and Non-current Liabilities with Covenants (Amendments to IAS 1) from 1 January 2024. The amendments apply retrospectively and clarify certain requirements for determining whether a

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

General Index of Financial Information

Notes to the financial statements

liability should be classified as current or non-current and require new disclosures for non-current loan liabilities that are subject to covenants within 12 months after the reporting period. Despite the change in policy, there is no retrospective impact on the comparative statement of financial position, as the corporation had no convertible notes as of December 31 2023. All other liabilities were not impacted by the amendment.

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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	1,956,000	A1
Net income (loss) after extraordinary items from line 110 of Schedule 150	0	A2
Total	1,956,000	A

Add:

Provision for income taxes – current	101	5,000	
Amortization of tangible assets	104	8,504,000	
Loss on disposal of assets	111	221,000	
Scientific research expenditures deducted per financial statements	118	171,482	
Reserves from financial statements – balance at the end of the year	126	12,792,951	
Subtotal of additions		21,694,433	21,694,433

Add:

Other additions:

1 Description	2 Amount		
605	295		
1 Inducement under 12(1)(x) ITA	4,868,425		
2 Interest expense on capital lease	10,000		
3 Unrealized loss in fair value of derivatives	1,792,000		
Total of column 2	6,670,425	296	6,670,425
Subtotal of other additions		199	6,670,425
Total additions		500	28,364,858
Amount A plus line 500			30,320,858

Deduct:

Capital cost allowance from Schedule 8	403	10,243,011	
SR&ED expenditures claimed in the year on line 460 from Form T661	411	164,825	
Reserves from financial statements – balance at the beginning of the year	414	12,814,714	
Subtotal of deductions		23,222,550	23,222,550

Deduct:

Other deductions:

1 Description	2 Amount
705	395
1 Deduction under 20(1)(e) ITA	2,005
2 Capitalized interest for accounting	372,763
3 13(7.4) election	4,856,085
4 Lease payments on capital lease	369,000
5 Amortization of deferred contributions	1,399,000
6 Co-op credit related to T661 line 431	679

	1 Description	2 Amount			
	705	395			
7	Amortization of interest rate swap	1,030,314			
	Total of column 2	8,029,846	396	8,029,846	
			499	8,029,846	8,029,846 E
			Total deductions	510	31,252,396
					-931,538 C
Net income (loss) for income tax purposes (amount B minus line 510)					
Enter amount C on line 300 of the T2 return.					

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		
<input checked="" type="checkbox"/>	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	984
<input checked="" type="checkbox"/>	Ontario co-operative education tax credit	11,356
<input type="checkbox"/>	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).	
<input type="checkbox"/>	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
<input type="checkbox"/>	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
<input type="checkbox"/>	Ontario interactive digital media tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
<input type="checkbox"/>	Ontario book publishing tax credit	
<input type="checkbox"/>	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	
<input type="checkbox"/>	Ontario business-research institute tax credit	
<input type="checkbox"/>	Ontario community food program donation tax credit for farmers	

Other amounts

A		
<input checked="" type="checkbox"/>	Capital contribution	4,856,085
	Total	4,856,085

Tax credits whose amount should reduce the capital cost of property

Deduction as per paragraph 20(1)(e) of the ITA

This workchart allows you to determine the tax deduction as per paragraph 20(1)(e) of the Income Tax Act (ITA). It relates to the expenses of issuing or selling shares, units or interests and expenses of borrowing money.

Ensure that any of these expenses deducted in the financial statements have been added back on line 216, "Financing fees deducted in books," and/or on line 235, "Share issue expense" to Schedule 1, if applicable.

* If the check box was selected, the annual deduction will be equal to the amount in column C.

1 Description: Financing fee							
Subparagraph 20(1)(e)(v) is applicable in the taxation year*	Date of expense	A Expense amount	B Amounts deductible in the preceding taxation years	C Balance before the annual expense (column A minus column B)	D 20 % of amount A x number of days in the taxation year 366 / 365	E Annual deduction (C or D, whichever is less)*	F Balance at the end of the year (column C minus column E)
<input type="checkbox"/>		10,000	2,000	8,000	2,005	2,005	5,995

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

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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)	A1	B Enter 1 if payer corporation is connected	C Business number of connected corporation	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD	E Non-taxable dividends under section 83
200		205	210	220	230
Total of column E (enter amount on line 402 of Schedule 1)					

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

<div>F</div> <div>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</div> <div>240</div>	<div>F1</div>	<div>G</div> <div>Eligible dividends included in column F</div> <div>242</div>	<div>H</div> <div>Total taxable dividends paid by the connected payer corporation (line 460 in Schedule 3 for the tax year in column D)</div> <div>250</div>	<div>H.1</div> <div>Total eligible dividends paid by the connected payer corporation (line 465 in Schedule 3 for the tax year in column D)</div>	<div>I</div> <div>Dividend refund of the connected payer corporation (for tax year in column D) ²</div> <div>260</div>
<div>I.1</div> <div>Eligible dividend refund of the connected payer corporation from its eligible refundable dividend tax on hand (ERDTH) (amount CC from T2 return for the tax year in column D)</div>	<div>I.2</div> <div>Additional non-eligible dividend refund of the connected payer corporation from its ERDTH (amount II from T2 return for the tax year in column D)</div>	<div>J</div> <div>Part IV tax for eligible dividends. Dividends (from column G) multiplied by 38 1/3% ³</div> <div>265</div>	<div>K</div> <div>Part IV tax before deductions. Dividends (from column F) multiplied by 38 1/3% ⁴</div> <div>275</div>	<div>L</div> <div>Part IV tax before deductions on taxable dividends received from connected corporations ⁵</div> <div>280</div>	

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 (ERDTH), 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 ERDTH.

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 tax330

Non-capital losses from previous years claimed to reduce Part IV tax335

Current-year farm loss claimed to reduce Part IV tax340

Farm losses from previous years claimed to reduce Part IV tax345

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")360

(enter amount on line 712 of the T2 return)

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 432F

Part IV tax payable on taxable dividends received from connected corporations

(amount 2E minus amount 2F, if negative enter "0")2G

(enter at amount C on page 7 of the T2 return)

Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)2H

Amount 4C from Schedule 432I

Part IV tax payable on taxable dividends received from non-connected corporations

(amount 2H minus amount 2I, if negative enter "0")2J

(enter at amount D on page 7 of the T2 return)

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	N	O	P	Q
Name of recipient corporation with which you are connected	Business number	Tax year-end of recipient corporation in which the dividends in column P were received YYYYMMDD	Taxable dividends paid to recipient corporations with which you are connected	Eligible dividends included in column P
400	410	420	430	440
1	Oshawa Power and Utilities Corporation	86486 7593 RC0001	2024-12-31	1,200,000
			1,200,000	1,200,000
			(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	1,200,000
Total eligible dividends paid in the tax year (total of column Q plus line 455)	465	1,200,000
Total non-eligible taxable dividends paid in the tax year (line 460 minus line 465)	470	

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)	460,000	3A
Line 470 multiplied by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)		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)		1,200,000
Other dividends paid in the tax year (total of 510 to 540)		
Total dividends paid in the tax year	500	1,200,000

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)		1,200,000 4B
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Corporation Loss Continuity and Application

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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		-931,538	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")		-931,538	1I
Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions			1J
Subtotal (amount 1I minus amount 1J)		-931,538	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")		-931,538	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		244,602	1N
Non-capital loss expired ¹	100		
Non-capital losses at the beginning of the tax year (amount 1N minus line 100)	102	244,602	
Non-capital losses transferred on an amalgamation or on the wind-up of a subsidiary ² corporation	105		
Current-year non-capital loss (from amount 1M)	110	931,538	
Subtotal (line 105 plus line 110)		931,538	1O
Subtotal (line 102 plus amount 1O)		1,176,140	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	130	
Enter the amount from line 130 on line 331 of the T2 return.		
Current and previous years non-capital losses applied against current-year taxable dividends subject to Part IV tax ³	135	
Subtotal (total of lines 150, 140, 130 and 135)		1Q
Non-capital losses before any request for a carryback (amount 1P minus amount 1Q)		1,176,140 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	1,176,140

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	
Capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	205	
Subtotal (line 200 plus line 205)		2A
Other adjustments (includes adjustments for an acquisition of control)	250	
Section 80 – Adjustments for forgiven amounts	240	
Subtotal (line 250 plus line 240)		2B
Subtotal (amount 2A minus amount 2B)		2C
Current-year capital loss (from the calculation on Schedule 6, Summary of Dispositions of Capital Property)	210	
Unused non-capital losses from the 11th previous tax year 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)		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)	_____		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	_____

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	.....	330	_____
Enter the amount from line 330 on line 334 of the T2 Return.			
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	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)	410	
Enter the amount from line 410 on line 233 of Schedule 1, Net Income (Loss) for Income Tax Purposes.		
Subtotal (line 405 plus line 410)		4G
Subtotal (line 402 plus amount 4G)		4H
Restricted farm losses from previous tax years applied against current farming income	430	
Enter the amount from line 430 on line 333 of the T2 return.		
Section 80 – Adjustments for forgiven amounts	440	
Other adjustments	450	
Subtotal (total of lines 430 to 450)		4I
Restricted farm losses before any request for a carryback (amount 4H minus amount 4I)		4J

Request to carry back restricted farm loss to:

First previous tax year to reduce farming income	941	
Second previous tax year to reduce farming income	942	
Third previous tax year to reduce farming income	943	
Subtotal (total of lines 941 to 943)		4K
Closing balance of restricted farm losses to be carried forward to future tax years (amount 4J minus amount 4K)	480	

Note

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

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
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

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
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	<input type="checkbox"/>
--	-----	-----	--------------------------

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	931,538			N/A		931,538
1st preceding taxation year 2023-12-31	244,602	N/A		N/A			244,602
2nd preceding taxation year 2022-12-31		N/A		N/A			
3rd preceding taxation year 2021-12-31		N/A		N/A			
4th preceding taxation year 2020-12-31		N/A		N/A			
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	244,602	931,538					1,176,140

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

Tax Calculation Supplementary – Corporations

Corporation's name	Business Number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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		B	C	D	E	F
Jurisdiction. (tick yes if your corporation had a permanent establishment in the jurisdiction during the tax year) Note 1		Total salaries and wages paid in jurisdiction	B multiplied by taxable income, divided by G	Gross revenue attributable to jurisdiction	D multiplied by taxable income, divided by H	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 <input type="checkbox"/>	103		143		
Newfoundland and Labrador Offshore	004 Yes <input type="checkbox"/>	104		144		
Prince Edward Island	005 Yes <input type="checkbox"/>	105		145		
Nova Scotia	007 Yes <input type="checkbox"/>	107		147		
Nova Scotia Offshore	008 Yes <input type="checkbox"/>	108		148		
New Brunswick	009 Yes <input type="checkbox"/>	109		149		
Quebec	011 Yes <input type="checkbox"/>	111		151		
Ontario	013 Yes <input type="checkbox"/>	113		153		
Manitoba	015 Yes <input type="checkbox"/>	115		155		
Saskatchewan	017 Yes <input type="checkbox"/>	117		157		
Alberta	019 Yes <input type="checkbox"/>	119		159		
British Columbia	021 Yes <input type="checkbox"/>	121		161		
Yukon	023 Yes <input type="checkbox"/>	123		163		
Northwest Territories	025 Yes <input type="checkbox"/>	125		165		
Nunavut	026 Yes <input type="checkbox"/>	126		166		
Outside Canada	027 Yes <input type="checkbox"/>	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
Ontario basic income tax (from Schedule 500)		270	
Ontario small business deduction (from Schedule 500)		402	
		Subtotal (line 270 minus line 402)	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)			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")	5E
Ontario research and development tax credit (from Schedule 508)		416	
Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E minus line 416) (if negative, enter "0")			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")			5G
Ontario corporate minimum tax (from Schedule 510)		278	52,947
Ontario special additional tax on life insurance corporations (from Schedule 512)		280	
		Subtotal (line 278 plus line 280)	52,947 5H
Total Ontario tax payable before refundable tax credits (amount 5G plus amount 5H)			52,947 5I
Ontario qualifying environmental trust tax credit		450	
Ontario co-operative education tax credit (from Schedule 550)		452	20,912
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)	20,912 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	32,035

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 32,035

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

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

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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 ☒

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

Are you associated in the tax year with one or more EOPs with which you have entered into an agreement under subsection 1104(3.3) of the Regulations? **105** Yes ☐ No ☒

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	2	3
	Name of EPOP	Identification number Note 1	Percentage assigned under the agreement
1.	110	115	120
			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	Description	2 Undepreciated capital cost (UCC) at the beginning of the year	3 Cost of acquisitions during the year (new property must be available for use)	4 Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP)	5 Adjustments and transfers	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition	8 Proceeds of dispositions
Note 3			Note 4	Note 5	Note 6	Note 7	Note 8	Note 9
200		201	203	232	205	221	222	207
1. 1		19,532,868						0
2. 8		564,475			168,527			0
3. 10		194,529	60,978					40,000
4. 10.1	Chevrolet Volt	370						N/A
5. 13		510,806						0
6. 42		7,339						0
7. 45		9						0
8. 45		4						0
9. 47		98,725,621	7,648,206					0
10. 50		28,618	40,261					0
11. 95		5,830,323			16,672,695			0
12. 13								0
13. 12	Computer Software		513,101					0
Totals		125,394,962	8,262,546		16,841,222			40,000

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)	10 UCC (column 2 plus column 3 plus or 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	12 Immediate expensing Note 12	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	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")
		234		236	238		225		
1. 1			19,532,868					19,532,868	
2. 8			733,002					733,002	
3. 10			215,507			60,978	60,978	215,507	40,000
4. 10.1	Chevrolet Volt		370					370	
5. 13			510,806					510,806	

	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")
6.	42			7,339					7,339	
7.	45			9					9	
8.	45			4					4	
9.	47			106,373,827			7,648,206	7,648,206	106,373,827	
10.	50			68,879			40,261	40,261	68,879	
11.	95			22,503,018					22,503,018	
12.	13									
13.	12	Computer Software		513,101			513,101	513,101	513,101	
Totals				150,458,730			8,262,546	8,262,546	150,458,730	40,000

Part 2 – CCA calculation (continued)

1 Class number	Description	17 Net capital cost additions of AIP 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 AIP 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 AIP 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	781,315	18,751,553
2. 8					20	0	0	146,600	586,402
3. 10		20,978			30	0	0	64,652	150,855
4. 10.1	Chevrolet Volt				30	N/A	N/A	111	259
5. 13					NA	0	0	188,556	322,250
6. 42					12	0	0	881	6,458
7. 45					45	0	0	4	5
8. 45					45	0	0	2	2
9. 47		7,648,206			8	0	0	8,509,906	97,863,921
10. 50		40,261			55	0	0	37,883	30,996
11. 95					0	0	0		22,503,018
12. 13					NA	0	0		
13. 12	Computer Software	513,101			100	0	0	513,101	
Totals		8,222,546						10,243,011	140,215,719

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.

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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	Country of resi- dence (other than Canada)	Business number (see note 1)	Rela- tion- ship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
100	200	300	400	500	550	600	650	700
1. Oshawa Power and Utilities Corpora		86486 7593 RC0001	3					

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

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

MISCELLANEOUS PAYMENTS TO RESIDENTS

Name of corporation	Business Number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

- This schedule must be completed by all corporations who made the following payments to residents of Canada: royalties for which the corporation has not filed a T5 slip; research and development fees; management fees; technical assistance fees; and similar payments.
- Please enter the name and address of the recipient and the amount of the payment in the applicable column. If several payments of the same type (i.e., management fees) were made to the same person, enter the total amount paid. If similar types of payments have been made, but do not fit into any of the categories, enter these amounts in the column entitled "Similar payments".

	Name of recipient	Address of recipient	Royalties	Research and development fees	Management fees	Technical assistance fees	Similar payments
	100	200	300	400	500	600	700
1	Oshawa Power and Utilities C	100 Simcoe Street South			494,316		
		Oshawa					
		ON					
		L1H 7M7					
2	Oshawa PUC Energy Services	100 Simcoe Street South			3,883		
		Oshawa					
		ON					
		L1H 7M7					
3	Oshawa PUC Services Inc.	100 Simcoe Street South			388		
		Oshawa					
		ON					
		L1H 7M7					

Deferred Income Plans

Corporation's name	Business number	Tax year end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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)	Amount of contribution \$ (see note 2)	Registration number (RPP, RSUBP, PRPP, and DPSP only)	Name of EPSP trust	Address of EPSP trust	T4PS slip(s) (see note 3)
100	200	300	400	500	600
1 1	1,029,875	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 1,029,875 A

Less:

Total of all amounts for deferred income plans deducted in your financial statements 1,029,875 B

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

Enter amount C on line 417 of Schedule 1

Note 3

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

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	2 Business number of associated corporations	3 Asso- ciation code	4 Business limit for the year before the allocation \$	5 Percentage of the business limit %	6 Business limit allocated* \$
	100	200	300		350	400
1	Oshawa PUC Networks Inc.	89172 5210 RC0001	1	500,000		
2	Oshawa Power and Utilities Corporation and As	86486 7593 RC0001	1	500,000	100.0000	500,000
				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.



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
Oshawa PUC Networks Inc.	89172 5210 RC0001	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 ☒

Enter your taxable income for the previous tax year¹ (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 ☒

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 ☒

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&ED² 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	Description of investment	Date available for use	Location used in Atlantic Canada (province)	Amount of investment
105	110	115	120	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

	<table><tr><td>Year</td><td>Month</td><td>Day</td></tr><tr><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td></tr></table>	Year	Month	Day										
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)248,993

Contributions to agricultural organizations for SR&ED

Deduct:

Government assistance, non-government assistance, or contract payment

Subtotal

x80 %

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)³248,993350248,993

Repayments made in the year (from line 560 on Form T661)370

Total qualified SR&ED expenditures (line 350 plus line 370)380248,993

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?385YesXNo

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 yearminus \$10 million.398

If this amount is nil or negative, enter "0". If this amount is over \$40 million, enter \$40 million

Part 10 – SR&ED expenditure limit for a CCPC

For a stand-alone (not associated) corporation

\$ 40,000,000minus line 398 in Part 910A

Amount 10A divided by \$ 40,000,00010B

Expenditure limit for the stand-alone corporation (\$ 3,000,000 multiplied by amount 10B)⁴10C

For an associated corporation

If associated, the allocation of the SR&ED expenditure limit, as provided on Schedule 49⁴400

If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:

Amount 10C or line 400xNumber of days in the tax year366=10D

365

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 less⁵ **420** _____ x 35 % = _____ 11A

Line 350 **minus** line 410 (if negative, enter "0") **430** _____ 248,993 x 15 % = 37,349 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 CCPC⁶ **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) 37,349 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 _____ 11,495 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** 11,495

Credit transferred on an amalgamation or the wind-up of a subsidiary **530** _____

Total current-year credit (from amount 11G) **540** _____ 37,349

Credit allocated from a partnership **550** _____

Subtotal (total of lines 530 to 550) _____ 37,349 ► _____ 37,349 12C

Total credit available (line 520 **plus** amount 12C) _____ 48,844 12D

Credit deducted from Part I tax **560** _____

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) _____ ► _____ 12F

Credit balance before refund (amount 12D **minus** amount 12F) _____ 48,844 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** 48,844

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)	.....	48,844	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	Amount calculated using ITC rate at the date of acquisition (or the original user's date of acquisition) on either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value of the property (in any other case)	Amount from column 700 or 710, whichever is less
700	710	
Subtotal Enter at amount 17A.		16A

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	B	C	D	E	F
Rate that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement	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	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.)	Amount determined by the formula (A x B) – C	ITC earned by the transferee for the qualified expenditures that were transferred	Amount from column D or E, whichever is less
720	730	740		750	
Subtotal (total of column F) Enter at amount 17B.					16B

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 Enter at amount 17C.
760

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 No X

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	B	C	D	E	
Contract number (SIN or name of apprentice)	Name of eligible trade	Eligible salary and wages ⁸	Column C x 10 %	Lesser of column D or \$ 2,000	
601	602	603	604	605	
1. SYS518456	Powerline Technician			2,000	
Total current-year credit (total of column E) Enter on line 640 in Part 20.				2,000	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		4,000	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	4,000	
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	2,000	
Credit allocated from a partnership	655		
Subtotal (total of lines 630 to 655)		2,000	20C
Total credit available (line 625 plus amount 20C)		6,000	20D
Credit deducted from Part I tax	660		
Credit carried back to previous years (amount 21A)			20E
Subtotal (line 660 plus amount 20E)			20F
ITC closing balance from apprenticeship job creation expenditures (amount 20D minus amount 20F)	690	6,000	

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)		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)		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)		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)

37,349

Applied
current year
(B)

Claimed
as a refund
(C)

Carried back
(D)

ITC end
of year
(A-B-C-D)

37,349

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

11,495

11,495

2022-12-31

2021-12-31

2020-12-31

2019-12-31

2018-12-31

2017-12-31

2016-12-31

2015-12-31

2014-12-31

2013-12-31

2012-12-31

2011-12-31

2010-12-31

2009-12-31

2008-12-31

2007-12-31

2006-12-31

2005-12-31

2004-12-31

Total

11,495

11,495

B+C+D+G

Total ITC utilized

* 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)
	2,000				2,000
Prior years					
Taxation year		ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2023-12-31		4,000			4,000
2022-12-31					
2021-12-31					
2020-12-31					
2019-12-31					
2018-12-31					
2017-12-31					
2016-12-31					
2015-12-31					
2014-12-31					
2013-12-31					
2012-12-31					
2011-12-31					
2010-12-31					
2009-12-31					
2008-12-31					
2007-12-31					
2006-12-31					
2005-12-31					
2004-12-31					*
Total		4,000			4,000
B+C+D+G	Total ITC utilized				
* The ITC end of year includes the amount of ITC expired from the 20 th 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.					



Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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	12,792,951
Capital stock (or members' contributions if incorporated without share capital)	103	23,064,000
Retained earnings	104	45,035,000
Contributed surplus	105	
Any other surpluses	106	
Deferred unrealized foreign exchange gains	107	
All loans and advances to the corporation	108	4,123,000
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)		85,014,951 ► 85,014,951 A

Note:

Line 112 is determined by the formula $(A - B) \times C/D$ (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
- those lines applied to partnerships in the same manner that they apply to corporations, and
 - those amounts were computed without reference to amounts owing by the partnership
 - to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
 - 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) 85,014,951 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** 85,014,951**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**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****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 capitalCapital for the year (line 190) 85,014,951 C**Deduct:** Investment allowance for the year (line 490) D**Taxable capital for the year** (amount C **minus** amount D) (if negative, enter "0") **500** 85,014,951

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)	85,014,951	x	Taxable income earned in Canada	610		1,000	=	Taxable capital employed in Canada	690		85,014,951
			Taxable income			1,000					

- 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.

Shareholder Information

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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)	Business number or partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "NR")	Social insurance number (9 digits)	Trust number (T followed by 8 digits)	Percentage common shares	Percentage preferred shares
	100	200	300	350	400	500
1	Oshawa Power and Utilities Corporation	864867593RC0001			100.000	
2						
3						
4						
5						
6						
7						
8						
9						
10						

General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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	12,711,176
Taxable income for the year (DICs enter "0")*	110	
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	
After-tax income (line 150 multiplied by 0.72 (the general rate factor for the tax year))	190	
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)		12,711,176 C
Eligible dividends paid in the previous tax year	300	1,100,000
Excessive eligible dividend designations made in the previous tax year (If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)	310	
Subtotal (line 300 minus line 310)		1,100,000 D
GRIP before adjustment for specified future tax consequences (amount C minus amount D) (amount can be negative)	490	11,611,176
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	11,611,176

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.

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	2024-12-31

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.
- File the 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.

Do not use this area

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

Taxable dividends paid in the tax year not included in Schedule 3		
Taxable dividends paid in the tax year included in Schedule 3		1,200,000
Total taxable dividends paid in the tax year	100	1,200,000
Total eligible dividends paid in the tax year	150	1,200,000
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")	160	11,611,176
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.

Canada Revenue
AgencyAgence du revenu
du Canada**Schedule 508****Ontario Research and Development Tax Credit**

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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

Total eligible expenditures incurred by the corporation in Ontario in the tax year	100	258,703	A
Government assistance, non-government assistance, or a contract payment for eligible expenditures	105	679	B
Net eligible expenditures for the tax year (amount A minus amount B) (if negative, enter "0")		258,024	C
Eligible expenditures transferred to the corporation by another corporation	110		D
Subtotal (amount C plus amount D)		258,024	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	258,024	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	x	4.5 %	=	1.8689 %	1
Number of days in the tax year	241	366					
Number of days in the tax year after May 31, 2016	242	214	x	3.5 %	=	2.0464 %	2
Number of days in the tax year	243	366					

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 x 4.5 % = % 4

Number of days
in the tax year

Number of days
in the tax year
after May 31, 2016 x 3.5 % = % 5

Number of days
in the tax year

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) 258,024 x 3.5 % = **202** 9,031 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** 9,031 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 2,779 Y

ORDTC expired after 20 tax years 300 Z

ORDTC at the beginning of the tax year (amount Y minus amount Z) 305 2,779 AA

ORDTC transferred to the corporation on amalgamation or windup 310 BB

Current part of ORDTC 9,031 CC

(amount P, T or X in Part 3 whichever applies)

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) 9,031 ► 9,031 EE

ORDTC available for deduction (total of amounts AA, BB and EE) 11,810 ► 11,810 FF

ORDTC claimed ** GG

(Enter amount GG on line 416 on page 5 of Schedule 5, *Tax Calculation Supplementary – Corporations*)

ORDTC carried back to previous tax years (from Part 5) HH

Subtotal (amount GG plus amount HH) ► II

ORDTC balance at the end of the tax year (amount FF minus amount II) 325 11,810 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			
1 st previous tax year	2023-12-31			.....	Credit to be applied	901
2 nd previous tax year	2022-12-31			.....	Credit to be applied	902
3 rd 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 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.

	<div>OO</div> <div>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</div> <div>720</div>	<div>PP</div> <div>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</div> <div>730</div>	<div>QQ</div> <div>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)</div> <div>740</div>
1.			

	<div>RR</div> <div>Amount determined by the formula (OO x PP) - QQ (using the columns above)</div>	<div>SS</div> <div>Federal ITC earned by the transferee for the qualified expenditure that was transferred</div> <div>750</div>	<div>TT</div> <div>Amount from column RR or SS, whichever is less</div>
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)760VV

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 XXx23.56%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	.....		<u>171,482</u>
Add			
• payment of prior years' unpaid expenses (other than salary or wages)	.....	+	.....
• prescribed proxy amount (Enter "0" if you use the traditional method)	.....	+	<u>87,221</u>
• other additions	.....	+	.....
	Subtotal	=	<u>258,703</u>
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	.....	-	.....
• 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	=	<u>258,703</u> I

Enter amount I on line 100 of Schedule 508.



Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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	274,169,000
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	50,000,000
Total assets (total of lines 112 to 116)		324,169,000
Total revenue of the corporation for the tax year **	142	185,106,000
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	100,000,000
Total revenue (total of lines 142 to 146)		285,106,000

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	1,956,000
Add (to the extent reflected in income/loss):		
Provision for current income taxes/cost of current income taxes	220	5,000
Provision for deferred income taxes (debits)/cost of future income taxes	222	
Equity losses from corporations	224	
Financial statement loss from partnerships and joint ventures	226	
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230	
Other additions (see note below):		
Share of adjusted net income of partnerships and joint ventures **	228	
Total patronage dividends received, not already included in net income/loss	232	
281	282	
283	284	
Subtotal	5,000	5,000 A
Deduct (to the extent reflected in income/loss):		
Provision for recovery of current income taxes/benefit of current income taxes	320	
Provision for deferred income taxes (credits)/benefit of future income taxes	322	
Equity income from corporations	324	
Financial statement income from partnerships and joint ventures	326	
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330	
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332	
Gain on donation of listed security or ecological gift	340	
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342	
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344	
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346	
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348	
Other deductions (see note below):		
Share of adjusted net loss of partnerships and joint ventures **	328	
Tax payable on dividends under subsection 191.1(1) of the federal Act multiplied by 3	334	
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336	
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338	
381	382	
383	384	
385	386	
387	388	
389	390	
Subtotal		B
Adjusted net income/loss for CMT purposes (line 210 plus amount A minus amount B)	490	1,961,000

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** 1,961,000

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** 1,961,000

Amount from line 520 1,961,000 x $\frac{\text{Number of days in the tax year before July 1, 2010}}{\text{Number of days in the tax year}}$ 366 x 4 % = 1

Amount from line 520 1,961,000 x $\frac{\text{Number of days in the tax year after June 30, 2010}}{\text{Number of days in the tax year}}$ 366 x 2.7 % = 52,947 2

Subtotal (amount 1 **plus** amount 2) 52,947 3

Gross CMT: amount on line 3 above x OAF ** **540** 52,947

Deduct:

Foreign tax credit for CMT purposes *** **550**

CMT after foreign tax credit deduction (line 540 **minus** line 550) (if negative, enter "0") 52,947 **D**

Deduct:

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

Net CMT payable (if negative, enter "0") 52,947 **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 *	469,290	G
Deduct:		
CMT credit expired *	600	
CMT credit carryforward at the beginning of the current tax year * (see note below)	469,290	620 469,290
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)		469,290 H
Deduct:		
CMT credit deducted in the current tax year (amount P from Part 5)		I
	Subtotal (amount H minus amount I)	469,290 J
Add:		
Net CMT payable (amount E from Part 3)	52,947	
SAT payable (amount O from Part 6 of Schedule 512)		
	Subtotal	52,947 K
CMT credit carryforward at the end of the tax year (amount J plus amount K)	670	522,237 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)	469,290	M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	1	
For a corporation that is not a life insurance corporation:		
CMT after foreign tax credit deduction (amount D from Part 3)	52,947	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:	52,947	6
Subtotal (if negative, enter "0")		N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		
Deduct:		
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 minus line 450 from Schedule 5)	20,912	
Subtotal (if negative, enter "0")		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.

ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS
AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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		Business number (Canadian corporation only) (see Note 1)	Total assets* (see Note 2)	Total revenue** (see Note 2)
200		300	400	500
1	Oshawa Power and Utilities Corporation and Associate	86486 7593 RC0001	50,000,000	100,000,000
Total			50,000,000	100,000,000

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.

ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
Oshawa PUC Networks Inc.	89172 5210 RC0001	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
Amanda Tang	(905) 723-4623

Is the claim filed for a CETC earned through a partnership? **150** 1 Yes ☐ 2 No ☒

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 <input checked="" type="checkbox"/>	2 No <input type="checkbox"/>
2. Was the corporation exempt from tax under Part III of the <i>Taxation Act, 2007</i> (Ontario)?	210	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>

If you answered **no** to question 1 or **yes** to question 2, then the corporation is **not eligible** for the CETC.

Part 3 – Eligible percentage for determining the eligible amount

Corporation's salaries and wages paid in the previous tax year * **300** 6,368,000

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:

$$\text{Eligible percentage} = 15\% - \left[5\% \times \left(\frac{\text{amount on line 300} - \text{minus } \$400,000}{\$200,000} \right) \right]$$

Eligible percentage for determining the eligible amount **310** 10.000 %

For eligible expenditures incurred after March 26, 2009:

- If line 300 is \$400,000 or less, enter 30% on line 312.
- If line 300 is \$600,000 or more, enter 25% on line 312.
- If line 300 is more than \$400,000 and less than \$600,000, enter the percentage on line 312 using the following formula:

$$\text{Eligible percentage} = 30\% - \left[5\% \times \left(\frac{\text{amount on line 300} - \text{minus } \$400,000}{\$200,000} \right) \right]$$

Eligible percentage for determining the eligible amount **312** 25.000 %

* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act, 2007* (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

A Name of university, college, or other eligible educational institution 400		B Name of qualifying co-operative education program 405	
1.	Ontario Tech University	Electrical Engineering	
2.	Ontario Tech University	Electrical Engineering	
3.	Ontario Tech University	Electrical Engineering	
4.	Ontario Tech University	Electrical Engineering	
5.	Ontario Tech University	Electrical Engineering	
6.	Ontario Tech University	Electrical Engineering	
7.	Consetoga College	Powerline Technician (0736C)	
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.	Richard Sabo	2024-01-02	2024-04-30
2.	Richard Sabo	2024-05-06	2024-08-30
3.	Daniel Singh	2024-05-06	2024-08-30
4.	Daniel Singh	2024-09-03	2024-12-31
5.	Sanjeev Luxmann	2024-05-06	2024-08-30
6.	Sanjeev Luxmann	2024-09-03	2024-12-31

	C Name of student	D Start date of WP (see note 1 below)	E End date of WP (see note 2 below)
	410	430	435
7.	Kevin Halloran	2024-08-22	2024-12-15

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)		F2 Eligible expenditures after March 26, 2009 (see note 1 below)		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)
	450		452			
1.		10.000 %	15,842	25.000 %		16
2.		10.000 %	13,459	25.000 %		17
3.		10.000 %	13,383	25.000 %		17
4.		10.000 %	11,876	25.000 %		16
5.		10.000 %	13,383	25.000 %		17
6.		10.000 %	11,876	25.000 %		16
7.		10.000 %	11,896	25.000 %		16

	G Eligible amount (eligible expenditures multiplied by eligible percentage) (see note 2 below)	H Maximum CETC per WP (see note 3 below)	I CETC on eligible expenditures (column G or H, whichever is less)	J CETC on repayment of government assistance (see note 4 below)	K CETC for each WP (column I or column J)
	460	462	470	480	490
1.	3,961	3,000	3,000		3,000
2.	3,365	3,000	3,000		3,000
3.	3,346	3,000	3,000		3,000
4.	2,969	3,000	2,969		2,969
5.	3,346	3,000	3,000		3,000
6.	2,969	3,000	2,969		2,969
7.	2,974	3,000	2,974		2,974

Ontario co-operative education tax credit (total of amounts in column K) 500**20,912 L**or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L:Amount L _____ x percentage on line 170 in Part 1 _____ % = _____ **M**Enter amount L or M, whichever applies, on line 452 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

Note 2: Calculate the eligible amount (Column G) using the following formula:

$$\text{Column G} = (\text{column F1} \times \text{percentage on line 310}) + (\text{column F2} \times \text{percentage on line 312})$$

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is \$1,000.

If the WP begins after March 26, 2009, the maximum credit amount for the WP is \$3,000.

If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

$$(\$1,000 \times X/Y) + [\$3,000 \times (Y - X)/Y]$$

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009,
and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a **separate entry** for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received. Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.