EXHIBIT 6:
REVENUE REQUIREMENT

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LIST OF ATTACHMENTS

6.1 OVERVIEW

This Exhibit provides the calculation of CNPI's proposed revenue requirement for the 2027 Test Year, and the revenue deficiency that would result from continuing to apply CNPI's 2026 approved distribution rates.

In accordance with the Filing Requirements, information presented in this Exhibit related to revenue requirement and revenue deficiency excludes energy costs and associated revenues, as well as costs and revenues associated with low voltage charges or deferral and variance accounts.

The OEB's Revenue Requirement Work Form ("RRWF") is included as Attachment 6-A to this Exhibit and has also been filed in Excel format in conjunction with this Application.

6.2 CALCULATION OF REVENUE REQUIREMENT

6.2.1 DETERMINATION OF NET UTILITY INCOME

CNPI's 2027 Service Revenue Requirement of $30,363,451 represents the total revenue required by CNPI in order to continue distributing electricity safely and reliably. The Service Revenue Requirement consists of OM&A expenses, costs related to capital investments (depreciation and return on capital), as well as payment of both property taxes and income taxes.

CNPI confirms the revenue requirement calculations have appropriately excluded energy costs and any unregulated costs and revenues, consistent with the Filing Requirements.

The 2027 Base Revenue Requirement of $29,013,852 is the basis for determining CNPI's 2027 proposed distribution rates, using the cost allocation study presented in Exhibit 7 and the rate design process presented in Exhibit 8. The Base Revenue Requirement is calculated beginning with the Service Revenue Requirement, less revenue offsets of ($1,349,599). Revenue Offsets or Other Revenues are the net revenue received from sources other than distribution rates (e.g. service charges, joint-use attachments, billable work, etc.).

Table 6 - 1 below summarizes CNPI's proposed 2027 Revenue Requirement, consistent with Sheet 9 of the RRWF.

Table 6- 1: 2027 Test Year Revenue Requirement

Revenue Requirement Component	**2027 Test Year**
OM&A Expenses (Incl LEAP)	$12,383,274
Amortization/Depreciation	$6,819,285
Property Taxes	$143,019
Income Taxes (Grossed Up)	$484,384
Regulated Return on Rate Base:	
Deemed Interest	$4,337,837
Return on Deemed Equity	$6,195,653
Service Revenue Requirement	$30,363,451
Revenue Offsets	($1,349,599)
Base Revenue Requirement (Excl Transformer Ownership Allowance)	**$29,013,852**

6.2.2 PROPOSED REVENUE REQUIREMENT

Table 6 - 2 provides the calculation of CNPI's 2027 net income, consistent with Sheet 5 of the RRWF.

Table 6- 2: 2027 Test Year Net Income

Net Income Component	**Test Year**
Operating Revenues	
Distribution Revenue (Proposed Rates)	$29,013,852
Other Revenue	$1,349,599
Total Operating Revenue	$30,363,451
Operating Expenses	
OM&A Expenses	$12,383,274
Depreciation/Amortization	$6,819,285
Property Taxes	$143,019
Total Operating Expenses	$19,345,577
Deemed Interest Expense	$4,337,837
Total Expenses	$23,683,414
Utility Income Before Income Taxes	$6,680,037
Income Taxes (Grossed-Up)	$484,384
Utility Net Income	**$6,195,653**

6.2.3 STATEMENT OF RATE BASE

Table 6 - 3 summarizes the calculation of CNPI's rate base for the 2027 Test Year, consistent with the more detailed rate base calculations and analysis contained in Exhibit 2 of this Application.

Table 6- 3: 2022 Test Year Rate Base Summary

Gross Fixed Assets (average)	$267,096,762
Accumulated Depreciation (average)	($102,750,541)
Net Fixed Assets (average)	$164,346,221
Allowance for Working Capital	$5,677,185
Total Rate Base	**$170,023,406**

6.2.4 ACTUAL UTILITY RETURN ON RATE BASE

Table 6 - 4 summarizes the calculation of CNPI's 2027 return on rate base, consistent with the cost of capital parameters and capital structure presented in Exhibit 5. The return on equity component of $6,195,653 is equal to the net income as calculated in Section 6.2.2.

Table 6- 4: Calculation of 2027 Test Year Return on Rate Base

Particulars	Capitalization Ratio		Cost Rate	Return
	(%)	($)	(%)	($)
Debt				
Long-term Debt	56.00%	$95,213,107	4.36%	$4,152,851
Short-term Debt	4.00%	$6,800,936	2.72%	$184,985
Total Debt	60.0%	$102,014,043	4.25%	$4,337,837
Equity				
Common Equity	40.00%	$68,009,362	9.11%	$6,195,653
Preferred Shares		$ -		$ -
Total Equity	40.0%	$68,009,362	9.11%	$6,195,653
Total	100.0%	$170,023,406	6.20%	$10,533,490

6.2.5 REQUESTED AND INDICATED RATE OF RETURN

Table 6 - 5 compares CNPI's 2027 return on rate base, at both current approved rates, and proposed rates. The resulting rates of return are consistent with Sheet 8 of the RRWF and the difference of $3,499,599 is equal to the revenue deficiency identified in Section 6.3.1 below.

CNPI's proposed return on equity, as outlined in Exhibit 5, is 9.11%. At the existing rates, the return on equity is 5.33%[1], a material difference of -3.78% as shown below which would result in CNPI's ROE being outside the 300 basis point deadband.

CNPI's requested rate of return on rate base is 6.20% Exhibit 5 provides detail on the determination of this rate, in consideration of CNPI's cost of debt and the OEB prescribed cost of capital parameters. CNPI's indicated rate of return (i.e. its rate of return on rate base at existing approved rates) is 4.68%[2].

[1] CNPI adjusted the formula for PILS in the first column of the Revenue Deficiency tab by allowing PILS to be calculated as a negative, in order to reconcile the revenue deficiency in the calculations below to the Base RR less Revenue At Existing Rates. The ROE under revenue at current rates would be 4.68%, if the floor of $0 for PILS is maintained. The RRWF as adjusted shows 5.33%, considering "negative PILS".

[2] For the same reason as above, the RRWF shows 4.68%, however with the PILS floor the rate is 4.42%.

Table 6 - 1: 2027 Return on Rate Base – Current vs. Proposed Rates

Particulars	Initial Application	
	At Current Approved Rates	At Proposed Rates
Revenue Deficiency from Below		$3,499,599
Distribution Revenue	$25,514,253	$25,514,253
Other Operating Revenue Offsets - net	$1,349,599	$1,349,599
Total Revenue	$26,863,852	$30,363,451
Operating Expenses	$19,345,577	$19,345,577
Deemed Interest Expense	$4,337,837	$4,337,837
Total Cost and Expenses	$23,683,414	$23,683,414
Utility Income Before Income Taxes	$3,180,437	$6,680,037
Tax Adjustments to Accounting Income per	($4,852,173)	($4,852,173)
Taxable Income	($1,671,735)	$1,827,864
Income Tax Rate	26.50%	26.50%
Income Tax on Taxable Income	($443,010)	$484,384
Income Tax Credits	$ -	$ -
Utility Net Income	$3,623,447	$6,195,653
Utility Rate Base	$170,023,406	$170,023,406
Deemed Equity Portion of Rate Base	$68,009,362	$68,009,362
Income/(Equity Portion of Rate Base)	5.33%	9.11%
Target Return - Equity on Rate Base	9.11%	9.11%
Deficiency/Sufficiency in Return on Equity	-3.78%	0.00%
Indicated Rate of Return	4.68%	6.20%
Requested Rate of Return on Rate Base	6.20%	6.20%
Deficiency/Sufficiency in Rate of Return	-1.51%	0.00%
Target Return on Equity	$6,195,653	$6,195,653
Revenue Deficiency/(Sufficiency)	$2,572,206	$ -
Gross Revenue Deficiency/(Sufficiency)	$3,499,599 [1]	

6.3 REVENUE DEFICIENCY OR SURPLUS

6.3.1 CALCULATION OF REVENUE DEFICIENCY OR SURPLUS

CNPI's revenue deficiency at current approved rates is $3,499,599. This deficiency is calculated as the difference between the 2027 Test Year Revenue Requirement and the forecast Test Year revenue at CNPI's 2026 approved distribution rates.

CNPI confirms that the revenue deficiency does not consider any price differentials captured in RSVAs, or Low Voltage charges, or DVA balances (including ACM/ICM projects which do not apply in this Application).

The detailed calculation of the 2027 revenue deficiency is provided in Table 6-7, which is consistent with Sheet 8 of the RRWF. The calculations for revenue at existing rates and proposed rates are shown in the table below.

Table 6- 6: Revenue at Existing Rates

Monthly Units	Volumetric Units		2027 Forecast Customers/Connections	2027 Forecast kWh/kW	Current Rate (2026)-Monthly	Current Rate (2026)-Volumetric	Transformer Allowance	Revenue At existing Rates	Proposed Rate (2027)-Monthly	Proposed Rate (2027)-Volumetric	Proposed Revenue
			A	B	C	D		F=A*12*C+B*D+E	G	H	I=A*12*G+B*H+E
Customer	N/A	**Residential**	28,818	237,403,471	$ 46.08	$ -		$ 15,935,278	52.46	$ -	$ 18,140,954
Customer	kWh	**General Service <50 kW**	2,556	67,709,853	$ 38.83	$ 0.0315		$ 3,323,757	40.24	$ 0.0376	$ 3,779,652
Customer	kW	**General Service >50kW (incl. Standby)**	201	639,656	$ 194.73	$ 8.2537	-$ 194,111	$ 5,554,729	194.73	$ 9.4448	$ 6,316,630
Account	kWh	**Unmetered Scattered Load**	45	1,347,134	$ 61.23	$ 0.0332		$ 77,591	61.23	$ 0.0411	$ 88,234
Device	kW	**Sentinel Lighting**	593	1,339	$ 7.01	$ 8.1011		$ 60,688	7.01	$ 14.3182	$ 69,012
Device	kW	**Street Lighting**	6,257	4,448	$ 4.69	$ 9.3574		$ 393,742	5.11	$ 10.1905	$ 428,798
Customer	kW	**Embedded Distributor**	1	15,118	$ 700.69	$ 10.5874		$ 168,467	700.69	$ 12.0496	$ 190,572
		Total						$ 25,514,253			$ 29,013,852
								Revenue Deficiency			$ 3,499,599

Blended Rate Volumetric Rate For GS>50 and Standby Together

	Customers	kW	Monthly Rate	Current (2026) Rate		Revenue At existing Rates
Fixed Charge Revenue (consis	$ 200.84		$ 194.73			**$ 469,320.32**
General Service >50kW		561,367.95		$ 9.19		$ 5,161,273
Standby		78,287.84		$ 1.51		$ 118,246
Volumetric Revenue Only		639,655.80		$ 8.25		$ 5,279,519
GS>50 Fixed and Volumetric						$ 5,748,839
GS> 50 + Standby Fixed and Volumetric , adjusted for transformer allowance						$ 5,554,729

The Proposed Rates for 2027 in the table above are the proposed rates *before* rounding, so the proposed revenue matches the Base Revenue Requirement. The rates in RRWF tab 13- Rate Design contains the revenue reconciliation, which shows a rounding difference of –$568.01, or -0.002% when the fixed rates are rounded to two decimal places, and variable rates are rounded to four decimal places.

Table 6- 7: Calculation of 2027 Revenue Deficiency

Particulars	Initial Application: At Current Approved Rates	Initial Application: At Proposed Rates
Revenue Deficiency from Below		$3,499,599
Distribution Revenue	$25,514,253	$25,514,253
Other Operating Revenue Offsets - net	$1,349,599	$1,349,599
Total Revenue	$26,863,852	$30,363,451
Operating Expenses	$19,345,577	$19,345,577
Deemed Interest Expense	$4,337,837	$4,337,837
Total Cost and Expenses	$23,683,414	$23,683,414
Utility Income Before Income Taxes	$3,180,437	$6,680,037
Tax Adjustments to Accounting Income per	($4,852,173)	($4,852,173)
Taxable Income	($1,671,735)	$1,827,864
Income Tax Rate	26.50%	26.50%
Income Tax on Taxable Income	($443,010)	$484,384
Income Tax Credits	$ -	$ -
Utility Net Income	$3,623,447	$6,195,653
Utility Rate Base	$170,023,406	$170,023,406
Deemed Equity Portion of Rate Base	$68,009,362	$68,009,362
Income/(Equity Portion of Rate Base)	5.33%	9.11%
Target Return - Equity on Rate Base	9.11%	9.11%
Deficiency/Sufficiency in Return on Equity	-3.78%	0.00%
Indicated Rate of Return	4.68%	6.20%
Requested Rate of Return on Rate Base	6.20%	6.20%
Deficiency/Sufficiency in Rate of Return	-1.51%	0.00%
Target Return on Equity	$6,195,653	$6,195,653
Revenue Deficiency/(Sufficiency)	$2,572,206	$ -
Gross Revenue Deficiency/(Sufficiency)	$3,499,599 [1]	

6.3.2 CAUSES OF REVENUE DEFICIENCY OR SURPLUS

Table 6 - 8 presents CNPI’s Revenue Requirement trend from 2022 Board Approved to the 2027 Test Year.

Table 6- 8: Revenue Requirement Trend

Revenue Requirement Component	2022 Board Appr	2022 Actual	2023 Actual	2024 Actual	2025 Actual	2026 Bridge	2027 Test
OM&A Expenses (Incl LEAP)	9,599,168	9,784,453	10,897,520	11,247,955	11,711,630	11,450,096	12,383,274
Amortization/Depreciation	5,577,375	5,252,704	5,268,232	5,449,191	5,866,296	6,275,873	6,819,285
Property Taxes	105,100	108,513	113,284	121,125	133,361	123,548	143,019
Income Taxes (Grossed Up)	442,125	543,477	113,751	233,706	223,116	431,359	484,384
Regulated Return on Rate Base:							
Deemed Interest	2,967,107	2,864,591	3,079,198	3,338,755	3,575,328	3,714,909	4,337,837
Return on Deemed Equity	4,494,100	4,338,825	4,663,878	5,057,012	5,415,335	5,626,750	6,195,653
Service Revenue Requirement	**23,184,975**	**22,892,562**	**24,135,863**	**25,447,744**	**26,925,066**	**27,622,536**	**30,363,451**
Revenue Offsets	-1,341,251	-1,239,780	-1,740,524	-1,647,298	-1,720,635	-1,347,001	-1,349,599
Base Revenue Requirement (Excl Transformer Ownership Allowance)	**21,843,724**	**21,652,783**	**22,395,339**	**23,800,446**	**25,204,431**	**26,275,535**	**29,013,852**

Table 6 - 9, at the end of this section, provides a more detailed breakdown of CNPI's 2022 Board Approved and 2027 Test Year revenue requirements. This table shows that CNPI is seeking approval for an increase to its base revenue requirement of $7,170,128 (33% total or 5.8% average annual increase) as compared to the 2022 Board Approved amount, and provides references to where detailed evidence in other Exhibits can be found in support of each factor contributing to the change in revenue requirement.

The primary drivers of the change in revenue requirement are an increased return on rate base, and an increase in OM&A. An increase in depreciation expense and an increase in income taxes contribute to a lesser degree. Each of these contributing factors is summarized below.

INCREASED RETURN ON RATE BASE

CNPI's 2027 return on rate base is forecasted to increase by $3,072,282 (41% total or 7.14% average annual increase) compared to 2022 Board Approved. This is primarily the result of an increase in rate base, as well as an increase in the weighted average cost of capital, as illustrated in Table 6 - 8. Between 2022 and 2027, CNPI's average net fixed assets have increased by $39,572,554, as a result of implementing the projects and programs in its DSP, including responding to increases in customer connection requests, completion of voltage conversion and other projects required to replace end-of-life assets, and general plan programs to support the efficient operation of the system. Explanations of variances between the 2022-2026 DSP and actual/forecast 2022-2026 capital additions are provided in the 2027-2031 DSP submitted with Exhibit 2 of this Application.

INCREASE IN DEPRECIATION EXPENSE

2027 depreciation expense is forecasted to increase by $1,241,910 (22% total or 4.1% average annual increase) compared to 2022 Board Approved. The increased depreciation expense is a result of the capital additions since 2022 Board Approved, as outlined above.

INCREASE IN OM&A

2027 OM&A expenses are $2,784,106 (29% or 5.23% on average per year) higher compared to 2022 Board Approved. OEB Appendix 2-JB, included in Section 4.2.2 of Exhibit 4, identifies eighteen distinct cost drivers between 2022 approved and 2027 forecasted OM&A expenses. The primary driver is an increase in OM&A labour costs, driven in turn by increased number of employees, as well as compensation rate increases, as further outlines in section 4.4 of Exhibit 4. Other material cost drivers have included: increases in bad debts and LEAP funding; increases in general Enterprise Technology subscription and third-party costs as well as cybersecurity costs; and increases in regulatory expenses related to this Application and regular OEB cost assessments. In section 1.9.3 of Exhibit 1, CNPI has outlined various measures undertaken in recent years to make efficiency gains, many of which have mitigated the OM&A increase.

INCREASE IN INCOME TAX

2027 income taxes are forecasted to increase by $42,259 compared to 2022 Board Approved (increase of 10% or 1.8% average annual rate). The increase in income taxes is primarily the result of increases in return on equity, as well as impacts of the Reaccelerated Investment Incentive Property (RIIP), which will continue to impact CNPI's capital cost allowance. Section 6.4.2 of this Exhibit provides additional detail on the reduced capital cost allowance deductions, including CNPI's proposed smoothing approach during the upcoming rebasing period.

Table 6- 9: 2022 to 2027 Revenue Requirement Comparison

Driver	2022	2027	Difference		Reference
	Board Appr	Test Year	Absolute	%	
Long Term Debt Rate	4.00%	4.36%	0.36%	9%	5.1.2
Short Term Debt Rate	1.17%	2.72%	1.55%	132%	5.1.2
Weighted Average Debt Rate	3.81%	4.25%	0.44%	12%	5.1.2
Rate of Return on Equity	8.66%	9.11%	0.45%	5%	5.1.2
Regulated Rate of Return on Rate	**5.75%**	**6.20%**	**0.44%**	**8%**	**5.1.2**
Controllable Expenses	$9,704,268	$12,526,292	$2,822,024	29%	4.2
Power Supply Expense	$56,477,556	$63,169,504	$6,691,947	12%	2.4.3
Working Capital Base	**$66,181,824**	**$75,695,796**	**$9,513,972**	**14%**	**2.4**
Working Capital Allowance Rate	7.50%	7.50%	0.00%	0%	2.4
Working Capital Allowance ("WCA"	**$4,963,637**	**$5,677,185**	**$713,548**	**14%**	**2.4**
Net Fixed Assets Opening Test Year	$120,754,187	$158,008,290	$37,254,103	31%	2.1
Net Fixed Assets Closing Test Year	$128,793,147	$170,684,152	$41,891,005	33%	2.1
Average Net Fixed Assets	$124,773,667	$164,346,221	$39,572,554	32%	2.1
Working Capital Allowance	$4,963,637	$5,677,185	$713,548	14%	2.4
Rate Base	**$129,737,304**	**$170,023,406**	**$40,286,102**	**31%**	**2.1**
Deemed Interest Expense	$2,967,107	$4,337,837	$1,370,729	46%	5.1.2
Target Return on Deemed Equity	$4,494,100	$6,195,653	$1,701,553	38%	5.1.2
Regulated Return on Rate Base	**$7,461,208**	**$10,533,490**	**$3,072,282**	**41%**	5.1.2
Regulated Return on Rate Base	$7,461,208	$10,533,490	$3,072,282	41%	5.1.2
OM&A	$9,599,168	$12,383,274	$2,784,106	29%	4.2
Property Taxes	$105,100	$143,019	$37,919	36%	6.5
Depreciation Expense	$5,577,375	$6,819,285	$1,241,910	22%	2.2
Income Taxes	$442,125	$484,384	$42,259	10%	6.4
Service Revenue Requirement	**$23,184,975**	**$30,363,451**	**$7,178,476**	**31%**	**6.2**
Revenue Offset	-$1,341,251	-$1,349,599	-$8,348	1%	6.7
Base Revenue Requirement	**$21,843,724**	**$29,013,852**	**$7,170,128**	**33%**	**6.2**

6.3.3 IMPACT OF CHANGE IN ACCOUNTING STANDARDS OR POLICIES

CNPI adopted Accounting Standards for Private Enterprises ("ASPE") effective January 1, 2011. Prior to 2011, CNPI reported in accordance with the Canadian Generally Accepted Accounting Principles accounting standard. CNPI confirms that it made any required changes to its capitalization policies and depreciation rates related to IFRS in 2013. These changes were reflected and approved within CNPI's previous cost of service proceedings, and values presented within this Application have also been reported using this methodology. As such, there are no changes to accounting standards that impact the overall change in revenue requirement.

6.4 TAXES & PAYMENTS IN LIEU OF TAXES (PILS)

6.4.1 OVERVIEW OF PILS

CNPI is required to make payments in lieu of income taxes ("taxes", "PILs") based on its taxable income. CNPI files Federal/Provincial tax returns annually. Please see Attachment 6-B of this Exhibit for the completed Income Tax/PILs model as well as Table 6 -10 below for a summary of the tax provision for the 2027 Test Year. The income tax rates and capital cost allowance rates used to calculate the taxes on CNPI's income tax returns are the same rates that have been proposed for the Test Year, with some adjustments made due to the AII and RII programs noted in further detail below. In order to appropriately calculate 2027 Test Year CCA, CNPI modified cell AA19 in Schedule 8 to provide the CCA associated with the leasehold improvement.

Table 6- 10: Tax Provision for 2027 Test Year

	2027 Test Year
Utility net income before taxes	6,195,653
Adjustments required to arrive at taxable income	-4,852,173
Taxable income	1,343,480
PILs	356,022
Grossed-up PILs	484,384
Effective Federal Tax Rate	15.0%
Effective Ontario Tax Rate	11.5%

2025 income tax amounts for CNPI are allocated between its transmission and distribution units. 2026 Bridge and 2027 Test Year in the PILS model are reflective of CNPI's distribution unit. 2025 amounts are based on a draft income tax filing which was being completed in parallel while this Application was being finalized. Forecasted 2026 Bridge Year and 2027 Test Year distribution earnings are calculated within this Application, and the calculated income tax amounts are grossed up.

With exception to the accelerated CCA smoothing in Section 6.4.2, there were no adjustments (e.g. tax credits, CCA adjustments) for the Historical, Bridge and Test Years and as such, no supporting schedules and calculations and explanations for "other additions" and "other deductions" were required. Regulatory assets and liabilities have been excluded from PILs model calculations.

CNPI is not claiming tax credits such as Apprenticeship Training Tax Credits or education tax credits.

CNPI's most recent tax return (2025 in draft form), which was being completed at the time that this Application was being finalized, is presented as Attachment 6-C of this Exhibit. CNPI notes that with the recent announcement of Bill C-15 (see below), the tax software program that it uses to prepare tax returns had not yet reflected the RII CCA rule changes effective 2025, and so CNPI has manually prepared a Schedule 8 recalculation outside of the tax software program to estimate what the actual CCA deductions will be. During the interrogatory process, CNPI will ensure that it provides either an updated tax return draft or confirm that the manual calculation of taxable income outside of the system (presented below) was not materially changed as a result of finalization of its 2025 tax return.

Table 6- 11: Summary of Differences Between T2 Tax Provision Draft and PILS Support

Summary of Differences Between T2 Tax Provision Draft and PILS Support

Schedule 1 - Taxable Income

Per T2 Tax Provision - Schedule 1		467,289.00	
Per PILS Calculations	-	508,415.10	
Difference		975,704.10	See below for breakdown of the the differences related to Schedule 8
Less: CCA Difference Calculated below	-	975,789.69	A
	-	85.59	ns, variance

Schedule 8 - Per T2 Tax Provision

CCA Class		UCC Opening	Proceeds from sales	Accel. CCA	Balance For: Reg. CCA	Balance For: Acc. CCA	CCA Rate	CCA Estimate	Accel. CCA Estimate	UCC Closing
1	Building, Distribution System (acq'd post 1987)	19,828,382		-	19,828,382	-	4%	793,135	-	19,035,247
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	337,152		27,103	337,152	27,103	6%	20,229	1,626	342,400
2	Distribution System (acq'd pre 1988)	775,315			775,315	-	6%	46,519	-	728,796
3	Buildings (acq'd pre 1988)	33,169			33,169	-	5%	1,658	-	31,510
8	General Office Equipment, Furniture, Fixtures	745,102		157,554	745,102	157,554	20%	149,020	31,511	722,125
10	Motor Vehicles, Fleet	873,874		1,243,247	873,874	1,243,247	30%	262,162	372,974	1,481,985
12	Computer Application Software (Non-Systems)	-		1,627,825	-	1,627,825	100%	-	1,627,825	-
14.1	Eligible Capital Property	340,258			340,258		5%	17,785		322,473
45	Computers & System Software (acq'd post Marr 22/04 and pre Mar 19/07)	6			6	-	45%	3	-	3
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	2			2	-	30%	1	-	1
47	Distribution System (acq'd post Feb 22/05)	95,153,705	(261,224)	16,455,173	95,153,705	16,193,950	8%	7,612,296	1,295,516	102,439,842
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	134,405		454,459	134,405	454,459	55%	73,922	249,952	264,988
		118,221,368	(261,224)	19,965,361	118,221,368	19,704,137	4	8,976,731	3,579,404	125,369,370

Schedule 8 - Recalculated with RII enhanced CCA

CCA Class		UCC Opening	Proceeds from sales	Total Additions Accel. CCA	Balance For: Reg. CCA	Balance For: Acc. CCA	CCA Rate	CCA Calculation	Accel. CCA CCA Calculated	UCC Closing
1	Building, Distribution System (acq'd post 1987)	19,828,382		-	19,828,382	-	4%	793,135	-	19,035,247
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	337,152		27,103	337,152	27,103	6%	20,229	2,439	341,586
2	Distribution System (acq'd pre 1988)	775,315			775,315	-	6%	46,519	-	728,796
3	Buildings (acq'd pre 1988)	33,169			33,169	-	5%	1,658	-	31,510
8	General Office Equipment, Furniture, Fixtures	745,102		157,554	745,102	157,554	20%	149,020	47,266	706,369
10	Motor Vehicles, Fleet	873,874		1,243,247	873,874	1,243,247	30%	262,162	559,461	1,295,498
12	Computer Application Software (Non-Systems)	-		1,627,825	-	1,627,825	100%	-	1,627,825	-
14.1	Eligible Capital Property	340,258		-	340,258	-	5%	17,785	-	322,473
45	Computers & System Software (acq'd post Marr 22/04 and pre Mar 19/07)	6			6	-	45%	3	-	3
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	2			2	-	30%	1	-	1
47	Distribution System (acq'd post Feb 22/05)	95,153,705	(261,224)	16,455,173	95,153,705	16,193,950	8%	7,612,296	1,943,274	101,792,084
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	134,405		454,459	134,405	454,459	55%	73,922	374,928	140,012
		118,221,368	(261,224)	19,965,361	118,221,368	19,704,137	4	8,976,731	4,555,194	124,393,580
Difference - CCA		-	-	-	-	-	-	-	(975,790)	975,790
									A	

6.4.2 ACCELERATED CCA

On June 21, 2019, Bill C-97, the Budget Implementation Act, 2019, No. 1, was given Royal Assent. Included in Bill C-97 were various changes to the federal income tax regime. One of the changes introduced by Bill C-97 is the Accelerated Investment Incentive ("AII") program, which provides for a first-year increase in CCA deductions on eligible capital assets acquired after November 20, 2018, and an eventual full phase-out of the program at the end of 2027. Generally speaking, for assets acquired between November 2018 and December 2023, the AII program allowed for the equivalent of 150% deduction of the CCA rate taken in year 1 for the in-year additions (net of disposals) with some exceptions (i.e. Class 12 AII limited to 100% given that that class already had a CCA deduction rate of 100%). For example, a Class 8 (CCA deduction rate of 20%) in-year addition in 2019 had effectively a 30% CCA deduction that could be taken in year 1 (20% multiplied by 150% under AII). For 2024 to 2027, the AII program started its phase-out so that the in-year additions AII rate was reduced from 150% to 100% (i.e. Class 8 in-year addition in 2024 would effectively have a 20% CCA deduction taken in year 1), and then a return back to the pre AII program ½ year rule (i.e. 50% of the CCA rate deduction taken for in-year additions in year 1) starting in 2028 (i.e. Class 8 in-year addition in 2028 would effectively have a 10% CCA deduction taken in year 1).

In accordance with the OEB's July 25, 2019 accounting direction, CNPI previously recorded the impact of CCA rule changes in an Account 1592 sub-account, for the period November 21, 2018 until the effective date of CNPI's last cost-based rate order (i.e. January 1, 2022).

In the 2022 cost of service application, CNPI received approval of the disposal of balances accumulated up to the 2020 audited 1592 sub-account balance. As part of settlement in that proceeding, parties also agreed to dispose of a forecast for 2021 of the 1592 sub-account balance activity, on a final basis. A smoothing adjustment was also agreed to be incorporated into 2022 Test Year PILs model, and accordingly CNPI and the Parties agreed that Account 1592 would not be used during the next rebasing period unless further legislated tax changes were announced[3].

On March 26, 2026, Bill C-15, was given Royal Assent. Included in Bill C-15 was the reintroduction of accelerated year 1 CCA deductions for in-year additions; this program is being termed the Reaccelerated Investment Incentive ("RII"). CNPI's preliminary interpretation of the RII program in preparation of this Application was based on reviewing more limited existing literature detailing the program at the time of submission. As more detailed guidance (including any OEB released guidance) about RII under Bill C-15 is released, CNPI will endeavor to continue to review those program details and compare to the assumptions that were made within this Application and will further reflect/update any changes that may be needed during the interrogatory process. At time of Application, CNPI'S interpretation of Bill C-15 is that from January 2025 to December 2029, the equivalent of a 150% deduction of the CCA rate may be taken in year 1 for the in-year additions (net of disposals) with some exceptions (i.e. Class 12 AII limited to 100% given that that class already had a CCA rate of 100%, Class 50 150% deduction delayed until 2027). Then from 2030 to 2033, the equivalent of a 100% deduction of the CCA rate may be taken in year 1 for the in-year additions (net of disposals), and then starting in 2034 a return to the ½ year rule (i.e. 50% of the CCA rate deduction taken for in-year additions in year 1).

Given that the 2022 Test Year PILs calculation reflected the peak AII program in-year addition deduction rate of 150% while for 2024 to 2026 of the rebase period that rate was expected to be reduced to 100% per the AII program in place at that time, a smoothing adjustment of $271,000 was incorporated into 2022 Test Year PILs model. With the recent Bill C-15 announcement noted above which included a return to a 150% deduction of the CCA rate taken in year 1 for the in-year additions (net of disposals) starting in 2025, CNPI proposes that it returns a portion of the smoothing adjustment that it had calculated for each of 2025 and 2026 within in its 2022 Test Year smoothing calculation given that the return to 150% under RII is consistent with the 150% rate originally calculated for 2022 Test additions under AII program. CNPI proposes that the smoothing calculated for those two respective years should be returned to rate payers given the change in tax rules under RII. See table below for the calculation of the equivalent of $294,426 in grossed-up PILs proposed to be recorded as a credit in 1592 and returned.

[3] Please refer to page 34 of 48 in the Settlement Proposal included with the OEB's Decision in EB-2021-0011, dated December 16, 2021.

Table 6- 12: Proposed PILS Calculation

	2024	2025	2026	Cumulative Total	
	Forecast	Forecast	Forecast	Forecast	
5 Year Average Planned Net Capital	11,630,000	11,630,000	11,630,000	34,890,000	
CCA Using '22 Test Year Rates	2,432,830	3,201,523	3,809,631	9,443,984	A
CCA Using '24 to '26 Rates per Bill C-97	1,895,220	2,766,088	3,428,450	8,089,759	B
CCA Difference	537,610	435,434	381,181	1,354,225	C = A - B
Take 1/5 of Difference (In Final '22 Test PILs Model, Table 9 of Settlement Agreement)				271,000	D = C / 5
PILS (on '25 and '26 CCA Differences)		115,390	101,013	216,403	E = C * 26.5%
Grossed-up PILS Credit to 1592 (on '25 and '26 CCA Differences)		156,993	137,433	294,426	F = E / (100%-26.5%)

CNPI confirms that the 2027 Test Year revenue requirement proposed in this Application includes enhanced CCA deductions on eligible capital assets in accordance with the RII rates recently announced under Bill C-15. Given that the enhanced CCA rates will further change during the rate-setting term (i.e. RII program phase-out starting in 2030 as described above), CNPI is proposing that, in an effort to smooth the impact of the change in these rates over the rebase period, an adjustment be made to the 2027 Test Year PILs amount equal to 1/5 of the grossed up PILs impact of the calculated CCA differences for the years 2030 to 2031 under the current enhanced CCA rates in effect for 2027 (150% deduction of the CCA rate may be taken in year 1 for the in-year additions net of disposals per Bill C-15), and the reduction to 100% deduction that is expected to be in effect for 2030 and 2031 per RII. CNPI has calculated the smoothing estimate based on the five-year capital program provided in Exhibit 2 of this Application. A summary of the estimated impact is noted in Table 6 - 13 below:

Table 6- 13: Smoothing Adjustment to 2027 Test Year re: Enhanced CCA

	2030	2031	Cumulative Total
	Forecast	Forecast	Forecast
Planned Capital	20,782,471	17,825,698	38,608,169
CCA Using 2027 Test Year CCA Rates (150% CCA Deduction Yr 1) per Bill C-15	14,045,078	14,556,378	28,601,456
CCA Using 2030 + 2031 CCA Rates (100% CCA Deduction Yr 1) per Bill C-15	13,113,853	13,757,840	26,871,693
CCA Difference	931,225	798,539	1,729,764
Take 1/5 of Difference (add to 2027 PILs model)			346,000

CNPI has reflected the $346,000 as an adjustment (increase to taxable income) in the PILs model for 2027 Test Year. By making the above adjustment to 2027 Test Year PILs, CNPI also proposes not to accumulate variances into the 1592 sub-account during the upcoming rebase period, unless there are further changes to tax policy that should be captured through the use of a 1592 sub-account.

CNPI has completed the integrity checks in accordance with PILs model.

6.4.3 EIFEL

On June 20, 2024, Bill C-59 received Royal Assent, introducing the Excessive Interest and Financing Expenses Limitation (EIFEL) rules under the Income Tax Act (Canada), effective for taxation years beginning on or after October 1, 2023. Under these rules, deductible net interest and financing expenses are limited to 30% of adjusted taxable income. Adjusted taxable income is calculated, for regulatory purposes, by adding back capital cost allowance and net interest and financing expenses to regulatory taxable income (after considering loss carry-overs where applicable). Amounts exceeding the limitation are restricted, subject to the utilization of available excess capacity from prior years, with unused excess capacity available to be carried forward for up to three years. Table 6-14 below shows that CNPI has excess capacity from 2025 Actuals through to 2027 Test and therefore no smoothing adjustment has been made to 2027 Test Year PILs.

Table 6- 14: EIFEL Calculation 2024 Actuals to 2027 Test Year

	2025	2026	2027	
	Actual	Bridge	Test	
Taxable Income	(1,553,937)	1,362,028	1,343,480	A
CCA	12,136,202	11,096,792	12,508,927	B
Net Interest and Financing Expenses	3,941,785	4,116,162	4,337,837	C
Adjusted Taxable Income	14,524,050	16,574,981	18,190,244	D=A+B+C
Interest Limitation (30%)	4,357,215	4,972,494	5,457,073	E=D* 30%
Non-Deductible Interest	-	-	-	F=C- E(IF C>E)
Excess Carry-forward (CY Only)	415,430	856,333	1,119,236	G=E- C(IF C<E)

CNPI is entering into indemnity agreements with its affiliates that will hold each affiliate whole in the event that excess carry-forward amounts may be shared.

6.5 OTHER TAXES

In addition to the income taxes discussed above, CNPI's 2027 Test Year revenue requirement includes property taxes. Table 6 - 15 summarizes CNPI's actual and forecasted property tax expense from 2022 to 2027. CNPI used the most recent historical actual increase trending as a basis for estimating 2027 Test.

Table 6- 15: Property Taxes (OEB 6105) 2022-2027

Year		Property Taxes
2022	Board Approved	105,100
2022	Actual	108,513
2023	Actual	113,284
2024	Actual	121,125
2025	Actual	133,361
2026	Bridge	123,548
2027	Test	143,019

6.6 NON-RECOVERABLE AND DISALLOWED EXPENSES

CNPI confirms that expenses that are deemed non-recoverable in the revenue requirement (e.g., individual charitable donations) have been appropriately excluded from the regulatory tax calculation.

6.7 OTHER REVENUES

6.7.1 OVERVIEW OF OTHER REVENUE

Other Distribution Revenues are revenues that are distribution related but are sourced from means other than distribution rates. For this reason, other revenues are deducted from CNPI's proposed Service Revenue Requirement to determine a Base Revenue Requirement for setting the main distribution (monthly and volumetric) rates for each customer class. Further details on the derivation of the Revenue Requirement is presented within this Exhibit 6.

Other Distribution Revenues includes items such as:

- Specific Service Charges
- Late Payment Charges
- Other Distribution Revenues
- Other Income and Expenses

CNPI has not proposed any new specific service charges or changes to policies that would impact Other Revenue for the 2027 Test Year.

A detailed breakdown of Other Revenue by USoA is provided in Table 6 - 16 (Appendix 2-H). Year over year variance analysis follows in Section 6.7.2. Explanations have been provided for variances greater than $145,000 materiality.

CNPI notes that the actual values presented in Table 6-16 below include interest on regulatory deferral and variance accounts (under account 4405, however the 2022 Board Approved, and 2026 Bridge Year and 2027 Test Year do not).

CNPI confirms that revenues from microFIT monthly service charges are recorded in Account 4235 and are not included in base revenue requirement.

Table 6- 16: Summary of Other Revenue (2-H)

USoA #	USoA Description	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
		2022	2023	2024	2025	2026	2027
	Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
4082	Retail Services Revenues	-$ 17,282	-$ 16,958	-$ 16,381	-$ 15,879	-$ 16,400	-$ 16,400
4084	Service Transaction Requests (STR) Revenues	-$ 191	-$ 209	-$ 201	-$ 180	-$ 200	-$ 200
4086	SSS Administration Revenue	-$ 89,869	-$ 90,935	-$ 91,598	-$ 92,406	-$ 94,128	-$ 93,099
4210	Rent from Electric Property	-$ 633,433	-$ 636,016	-$ 635,049	-$ 634,683	-$ 635,100	-$ 581,300
4220	Other Electric Revenues	$ 11,602	-$ 76,438	-$ 9,402	-$ 9,282	-$ 6,300	-$ 6,700
4225	Late Payment Charges	-$ 130,547	-$ 119,517	-$ 151,523	-$ 163,229	-$ 133,900	-$ 143,500
4235	Miscellaneous Service Revenues	-$ 142,238	-$ 138,120	-$ 132,261	-$ 135,808	-$ 137,373	-$ 137,400
4305	Regulatory Debits	$ 329,002	$ -	$ -	$ -	$ -	$ -
4325	Revenues from Merchandise	-$ 374,346	-$ 915,430	-$ 385,460	-$ 464,968	-$ 340,601	-$ 408,000
4330	Costs and Expenses of Merchandising	$ 108,576	$ 619,546	$ 96,090	$ 197,242	$ 127,000	$ 130,000
4360	Loss on Disposition of Utility and Other Property	-$ 137,054	$ 123,208	$ 82,871	-$ 98,380	$ 50,000	$ -
4390	Miscellaneous Non-Operating Income	$ -	-$ 78	$ -	$ -	$ -	$ -
4398	Foreign Exchange Gains and Losses, Including Amortization	$ 830	-$ 34,783	$ 4,552	-$ 27,560	$ -	$ -
4405	Interest and Dividend Income	-$ 164,827	-$ 454,794	-$ 408,937	-$ 275,503	-$ 160,000	-$ 93,000
Miscellaneous Service Revenues		-$ 142,238	-$ 138,120	-$ 132,261	-$ 135,808	-$ 137,373	-$ 137,400
Late Payment Charges		-$ 130,547	-$ 119,517	-$ 151,523	-$ 163,229	-$ 133,900	-$ 143,500
Other Operating Revenues		-$ 729,175	-$ 820,556	-$ 752,630	-$ 752,430	-$ 752,128	-$ 697,699
Other Income or Deductions		-$ 237,820	-$ 662,332	-$ 610,885	-$ 669,169	-$ 323,600	-$ 371,000
Total		-$ 1,239,780	-$ 1,740,524	-$ 1,647,298	-$ 1,720,635	-$ 1,347,001	-$ 1,349,599

4082 - Retail Services Revenues

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
All RSC revenue	-$ 17,282	-$ 16,958	-$ 16,381	-$ 15,879	-$ 16,400	-$ 16,400
Total	-$ 17,282	-$ 16,958	-$ 16,381	-$ 15,879	-$ 16,400	-$ 16,400

4084 - Service Transaction Requests (STR) Revenues

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
All STR revenue	-$ 191	-$ 209	-$ 201	-$ 180	-$ 200	-$ 200
Total	-$ 191	-$ 209	-$ 201	-$ 180	-$ 200	-$ 200

4086 - SSS Administration Revenue

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
SSS admin revenue	-$ 89,869	-$ 90,935	-$ 91,598	-$ 92,406	-$ 94,128	-$ 93,255
Total	-$ 89,869	-$ 90,935	-$ 91,598	-$ 92,406	-$ 94,128	-$ 93,255

4210 - Rent from Electric Property

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
Pole rental revenue	-$ 633,433	-$ 636,016	-$ 635,049	-$ 634,683	-$ 635,100	-$ 581,300
Total	-$ 633,433	-$ 636,016	-$ 635,049	-$ 634,683	-$ 635,100	-$ 581,300

4220 - Other Electric Revenues

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
Miscellaneous revenue	$ 11,602	-$ 76,438	-$ 9,402	-$ 9,282	-$ 6,300	-$ 6,700
Total	$ 11,602	-$ 76,438	-$ 9,402	-$ 9,282	-$ 6,300	-$ 6,700

4305 - Regulatory Debits

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
Accelerated CCA	$ 329,002					
Total	$ 329,002	$ -	$ -	$ -	$ -	$ -

4325 - Revenues from Merchandise

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
Billable Order Revenue	-$ 374,346	-$ 915,430	-$ 385,460	-$ 464,968	-$ 340,600	-$ 408,000
Miscellaneous						
Total	-$ 374,346	-$ 915,430	-$ 385,460	-$ 464,968	-$ 340,600	-$ 408,000

4330 - Costs and Expenses of Merchandising

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
Billable Order Costs	$ 102,124	$ 617,378	$ 95,117	$ 195,908	$ 126,600	$ 129,500
Miscellaneous	$ 6,452	$ 2,168	$ 972	$ 1,333	$ 400	$ 500
Total	$ 108,576	$ 619,546	$ 96,090	$ 197,242	$ 127,000	$ 130,000

4360 - Loss on Disposition of Utility and Other Property

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
(Gains) Losses on Disposal	-$ 137,054	$ 123,208	$ 82,871	-$ 98,380	$ 50,000	$ -
Total	-$ 137,054	$ 123,208	$ 82,871	-$ 98,380	$ 50,000	$ -

4390 - Miscellaneous Non-Operating Income

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
Miscellaneous	$ -	-$ 78	$ -	$ -	$ -	$ -
Total	$ -	-$ 78	$ -	$ -	$ -	$ -

4398 - Foreign Exchange Gains and Losses, Including Amortization

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
Foreign Exchange (Gains) Losses	$ 830	-$ 34,783	$ 4,552	-$ 27,560	$ -	$ -
Total	$ 830	-$ 34,783	$ 4,552	-$ 27,560	$ -	$ -

4405 - Interest and Dividend Income

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual	Bridge Year	Test Year
	2022	2023	2024	2025	2026	2027
Reporting Basis	ASPE	ASPE	ASPE	ASPE	ASPE	ASPE
Bank Account Interest	-$ 51,171	-$ 103,192	-$ 133,629	-$ 82,944	-$ 160,000	-$ 93,000
Deferral and Variance Account Interest	-$ 113,656	-$ 346,738	-$ 270,908	-$ 189,618		
Miscellaneous		-$ 4,864	-$ 4,400	-$ 2,940		
Total	-$ 164,827	-$ 454,794	-$ 408,937	-$ 275,503	-$ 160,000	-$ 93,000

6.7.2 OTHER REVENUE VARIANCE ANALYSIS

2022 ACTUAL VS. 2023 ACTUAL

Table 6- 17: Other Revenue: 2022 Actual vs. 2023 Actual

USoA #	USoA Description	2022 Actual²	2023 Actual²	Variance
		2022	2023	2023 Actual vs 2022 Actual
	Reporting Basis	ASPE	ASPE	ASPE
4082	Retail Services Revenues	-$ 17,282	-$ 16,958	$ 324
4084	Service Transaction Requests (STR) Revenues	-$ 191	-$ 209	-$ 17
4086	SSS Administration Revenue	-$ 89,869	-$ 90,935	-$ 1,066
4210	Rent from Electric Property	-$ 633,433	-$ 636,016	-$ 2,583
4220	Other Electric Revenues	$ 11,602	-$ 76,438	-$ 88,039
4225	Late Payment Charges	-$ 130,547	-$ 119,517	$ 11,030
4235	Miscellaneous Service Revenues	-$ 142,238	-$ 138,120	$ 4,118
4305	Regulatory Debits	$ 329,002	$ -	-$ 329,002
4325	Revenues from Merchandise	-$ 374,346	-$ 915,430	-$ 541,084
4330	Costs and Expenses of Merchandising	$ 108,576	$ 619,546	$ 510,970
4360	Loss on Disposition of Utility and Other Property	-$ 137,054	$ 123,208	$ 260,262
4390	Miscellaneous Non-Operating Income	$ -	-$ 78	-$ 78
4398	Foreign Exchange Gains and Losses, Including Amortization	$ 830	-$ 34,783	-$ 35,613
4405	Interest and Dividend Income	-$ 164,827	-$ 454,794	-$ 289,967
Miscellaneous Service Revenues		-$ 142,238	-$ 138,120	$ 4,118
Late Payment Charges		-$ 130,547	-$ 119,517	$ 11,030
Other Operating Revenues		-$ 729,175	-$ 820,556	-$ 91,381
Other Income or Deductions		-$ 237,820	-$ 662,332	-$ 424,512
Total		-$ 1,239,780	-$ 1,740,524	-$ 500,745

OEB 4305

CNPI recorded debit entries in OEB 4305 in January 2022 based on truing up the cumulative balances previously recorded into the OEB 1592 (sub-account PILS related to Bill C-97) and the final approved cumulative PILs balance per settlement within EB-2021-0011.

OEB 4325 and OEB 4330

Although on a gross basis both 4325 and 4330 materially varied from 2022 to 2023, the net of the two accounts did not result in a material variance. In 2023, CNPI (and its FortisOntario affiliates) billed two other affiliate companies (i.e. subsidiaries of Fortis Inc., affiliates of FortisOntario) for mutual aid storm relief support that had been provided.

OEB 4360

A general clean-up of CNPI's inventory of fleet vehicles and equipment was completed in 2022. As a result, multiple pieces of equipment, line trucks, and other company owned vehicles that were no longer considered useful to CNPI, were sold. Given these generally had immaterial book values upon disposition, the proceeds received on these sales triggered gains. In 2023, a much smaller number of retirements occurred and some of the items retired had negligible proceeds but had carried some residual book value upon disposition.

OEB 4405

The primary driver of this variance was related to the change in deferral and variance account regulatory interest revenue. CNPI follows OEB guidance as it relates to calculating and recording regulatory interest on its deferral and variance accounts. Amounts recognized from year to year may materially fluctuate depending on the fluctuations on either the outstanding principal balances and/or the changes in the OEB prescribed interest rates. CNPI records regulatory interest revenue into OEB 4405 when the associated deferral and variance account is in a principal net debit position. Where the deferral and variance account balances are in a principal net credit position, CNPI records regulatory interest expense into OEB 6035. These amounts are recorded based on individual balances of each group 1 and/or group 2 account/sub-account. See table below for presentation of the total of the net regulatory interest amounts recognized into income over the historical period presented within this Application. Amounts related to deferral and variance account interest revenue are not directly included in 2027 Test year as these balances should not be factored into the Revenue Offsets calculation of determining the base revenue requirement.

Table 6- 18: Deferral and Variance Account Regulatory Interest

	2022 Actual[2]	2023 Actual[2]	2024 Actual[2]	2025 Actual
	2022	2023	2024	2025
Reporting Basis	ASPE	ASPE	ASPE	ASPE
Deferral and Variance Account Interest - Revenue OEB 4405	-$ 113,656	-$ 346,738	-$ 270,908	-$ 189,618
Deferral and Variance Account Interest - Expense OEB 6035	$ 130,697	$ 253,253	$ 463,632	$ 313,284
Deferral and Variance Account Interest - NET	$ 17,041	-$ 93,484	$ 192,724	$ 123,666

2023 ACTUAL VS. 2024 ACTUAL

Table 6- 19: Other Revenue: 2023 Actual vs. 2024 Actual

USoA #	USoA Description	2023 Actual[2]	2024 Actual[2]	Variance
		2023	2024	2024 Actual vs 2023 Actual
	Reporting Basis	ASPE	ASPE	ASPE
4082	Retail Services Revenues	-$ 16,958	-$ 16,381	$ 577
4084	Service Transaction Requests (STR) Revenues	-$ 209	-$ 201	$ 8
4086	SSS Administration Revenue	-$ 90,935	-$ 91,598	-$ 663
4210	Rent from Electric Property	-$ 636,016	-$ 635,049	$ 967
4220	Other Electric Revenues	-$ 76,438	-$ 9,402	$ 67,036
4225	Late Payment Charges	-$ 119,517	-$ 151,523	-$ 32,006
4235	Miscellaneous Service Revenues	-$ 138,120	-$ 132,261	$ 5,860
4305	Regulatory Debits	$ -	$ -	$ -
4325	Revenues from Merchandise	-$ 915,430	-$ 385,460	$ 529,970
4330	Costs and Expenses of Merchandising	$ 619,546	$ 96,090	-$ 523,456
4360	Loss on Disposition of Utility and Other Property	$ 123,208	$ 82,871	-$ 40,337
4390	Miscellaneous Non-Operating Income	-$ 78	$ -	$ 78
4398	Foreign Exchange Gains and Losses, Including Amortization	-$ 34,783	$ 4,552	$ 39,335
4405	Interest and Dividend Income	-$ 454,794	-$ 408,937	$ 45,857
Miscellaneous Service Revenues		-$ 138,120	-$ 132,261	$ 4,118
Late Payment Charges		-$ 119,517	-$ 151,523	$ 11,030
Other Operating Revenues		-$ 820,556	-$ 752,630	$ 26,631
Other Income or Deductions		-$ 662,332	-$ 610,885	$ 51,447
Total		-$ 1,740,524	-$ 1,647,298	$ 93,227

OEB 4325 and OEB 4330

See explanation in 2022 Actual compared to 2023 Actual above for one-time mutual aid support provided in 2023. Although on a gross basis both 4325 and 4330 materially varied from 2023 to 2024, the net of the two accounts did not result in a material variance. 2024 reflected more of a “normalized” state of OEB 4325 and 4330 activity.

2024 ACTUAL VS. 2025 ACTUAL

Table 6- 20: Other Revenue: 2024 Actual vs. 2025 Actual

USoA #	USoA Description	2024 Actual[2]	2025 Actual	Variance
		2024	2025	2025 Actual vs 2024 Actual
	Reporting Basis	ASPE	ASPE	ASPE
4082	Retail Services Revenues	-$ 16,381	-$ 15,879	$ 502
4084	Service Transaction Requests (STR) Revenues	-$ 201	-$ 180	$ 20
4086	SSS Administration Revenue	-$ 91,598	-$ 92,406	-$ 808
4210	Rent from Electric Property	-$ 635,049	-$ 634,683	$ 366
4220	Other Electric Revenues	-$ 9,402	-$ 9,282	$ 120
4225	Late Payment Charges	-$ 151,523	-$ 163,229	-$ 11,706
4235	Miscellaneous Service Revenues	-$ 132,261	-$ 135,808	-$ 3,547
4305	Regulatory Debits	$ -	$ -	$ -
4325	Revenues from Merchandise	-$ 385,460	-$ 464,968	-$ 79,508
4330	Costs and Expenses of Merchandising	$ 96,090	$ 197,242	$ 101,152
4360	Loss on Disposition of Utility and Other Property	$ 82,871	-$ 98,380	-$ 181,251
4390	Miscellaneous Non-Operating Income	$ -	$ -	$ -
4398	Foreign Exchange Gains and Losses, Including Amortization	$ 4,552	-$ 27,560	-$ 32,112
4405	Interest and Dividend Income	-$ 408,937	-$ 275,503	$ 133,434
Miscellaneous Service Revenues		-$ 132,261	-$ 135,808	$ 4,118
Late Payment Charges		-$ 151,523	-$ 163,229	$ 11,030
Other Operating Revenues		-$ 752,630	-$ 752,430	-$ 30,202
Other Income or Deductions		-$ 610,885	-$ 669,169	-$ 58,284
Total		-$ 1,647,298	-$ 1,720,635	-$ 73,337

OEB 4360

Several pieces of equipment, line trucks, and other company owned vehicles that were no longer considered useful to CNPI, were sold. Given these generally had immaterial book values upon disposition, the proceeds received on these sales triggered the gains.

2025 ACTUAL VS. 2026 BRIDGE YEAR

Table 6- 21: Other Revenue: 2025 Actual vs. 2026 Bridge Year

USoA #	USoA Description	2025 Actual	Bridge Year	Variance
		2025	2026	Bridge Year vs 2025 Actual
	Reporting Basis	ASPE	ASPE	ASPE
4082	Retail Services Revenues	-$ 15,879	-$ 16,400	-$ 521
4084	Service Transaction Requests (STR) Revenues	-$ 180	-$ 200	-$ 20
4086	SSS Administration Revenue	-$ 92,406	-$ 94,128	-$ 1,722
4210	Rent from Electric Property	-$ 634,683	-$ 635,100	-$ 417
4220	Other Electric Revenues	-$ 9,282	-$ 6,300	$ 2,982
4225	Late Payment Charges	-$ 163,229	-$ 133,900	$ 29,329
4235	Miscellaneous Service Revenues	-$ 135,808	-$ 137,373	-$ 1,566
4305	Regulatory Debits	$ -	$ -	$ -
4325	Revenues from Merchandise	-$ 464,968	-$ 340,601	$ 124,368
4330	Costs and Expenses of Merchandising	$ 197,242	$ 127,000	-$ 70,241
4360	Loss on Disposition of Utility and Other Property	-$ 98,380	$ 50,000	$ 148,380
4390	Miscellaneous Non-Operating Income	$ -	$ -	$ -
4398	Foreign Exchange Gains and Losses, Including Amortization	-$ 27,560	$ -	$ 27,560
4405	Interest and Dividend Income	-$ 275,503	-$ 160,000	$ 115,503
Miscellaneous Service Revenues		-$ 135,808	-$ 137,373	$ 4,118
Late Payment Charges		-$ 163,229	-$ 133,900	$ 11,030
Other Operating Revenues		-$ 752,430	-$ 752,128	$ 12,917
Other Income or Deductions		-$ 669,169	-$ 323,600	$ 345,569
Total		-$ 1,720,635	-$ 1,347,001	$ 373,634

OEB 4360

At the time when the 2026 plan values were created, CNPI had reviewed historical trending to determine that a $50,000 loss was appropriate, resulting in a $148,000 variance compared to 2025 gains on disposition explained above. However, for 2027 Test, CNPI reduced that value to Nil given that the historical years presented within this Application showed a fluctuation year-to-year between overall net gains and net losses on disposition.

2026 BRIDGE YEAR VS. 2027 TEST YEAR

Table 6- 22: Other Revenue: 2026 Bridge Year vs. 2027 Test Year

USoA #	USoA Description	Bridge Year	Test Year	Variance
		2026	2027	Test Year vs Bridge Year
	Reporting Basis	ASPE	ASPE	ASPE
4082	Retail Services Revenues	-$ 16,400	-$ 16,400	$ -
4084	Service Transaction Requests (STR) Revenues	-$ 200	-$ 200	$ -
4086	SSS Administration Revenue	-$ 94,128	-$ 93,099	$ 1,029
4210	Rent from Electric Property	-$ 635,100	-$ 581,300	$ 53,800
4220	Other Electric Revenues	-$ 6,300	-$ 6,700	-$ 400
4225	Late Payment Charges	-$ 133,900	-$ 143,500	-$ 9,600
4235	Miscellaneous Service Revenues	-$ 137,373	-$ 137,400	-$ 27
4305	Regulatory Debits	$ -	$ -	$ -
4325	Revenues from Merchandise	-$ 340,601	-$ 408,000	-$ 67,400
4330	Costs and Expenses of Merchandising	$ 127,000	$ 130,000	$ 3,000
4360	Loss on Disposition of Utility and Other Property	$ 50,000	$ -	-$ 50,000
4390	Miscellaneous Non-Operating Income	$ -	$ -	$ -
4398	Foreign Exchange Gains and Losses, Including Amortization	$ -	$ -	$ -
4405	Interest and Dividend Income	-$ 160,000	-$ 93,000	$ 67,000
Miscellaneous Service Revenues		-$ 137,373	-$ 137,400	$ 4,118
Late Payment Charges		-$ 133,900	-$ 143,500	$ 11,030
Other Operating Revenues		-$ 752,128	-$ 697,699	$ 29,654
Other Income or Deductions		-$ 323,600	-$ 371,000	-$ 47,400
Total		-$ 1,347,001	-$ 1,349,599	-$ 2,598

No material variances noted.

6.7.3 PROPOSED SPECIFIC SERVICE CHARGES

CNPI is not proposing any new specific service charges or any changes to existing specific services charges.[4] CNPI is also proposing to continue to adopt the OEB default charges for both the microFIT service charge and the wireline attachment charge. There are therefore no customer classes or discrete customer groups that will be materially impacted by changes to other rates and charges.

6.7.4 REVENUE FROM AFFILIATE TRANSACTIONS, SHARED SERVICES, CORPORATE ALLOCATION

Shared services are provided between CNPI and its affiliates, as described in Section 4.5 of Exhibit 4, and all amounts are recorded in CNPI's OM&A accounts; no amounts are recorded in Account 4375 or 4380. CNPI confirms that costs included in its OM&A are excluded from the balances incorporated into Other Operating Revenue and vice versa. Cost allocation and pricing methodologies are designed to reflect appropriate allocations between corporate entities, avoiding cross subsidization.

ATTACHMENTS

[4] Except for those service charges that are subject to annual inflationary adjustments as described in Exhibit 8.

ATTACHMENT 6-A:

REVENUE REQUIREMENT WORKFORM

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2027 Filers

Version 1.10

Unlock Model

Utility Name	Canadian Niagara Power Inc.
Service Territory	*Fort Erie,Port Colborne and Gananoque*
Assigned EB Number	EB-2026-0029
Name and Title	Oana Stefan Manager, Regulatory Affairs
Phone Number	289-230-9773
Email Address	RegulatoryAffairs@fortisontario.com
Test Year	2027
Bridge Year	2026
Last Rebasing Year	2022

The RRWF has been enhanced commencing with 2017 rate applications to provide estimated base distribution rates. The enhanced RRWF is not intended to replace a utility's formal rate generator model which should continue to be the source of the proposed rates as well as the final ones at the conclusion of the proceeding. The load forecasting addition made to this model is intended to be demonstrative only and does not replace the information filed in the utility's application. In an effort to minimize the incremental work required from utilities, the cost allocation and rate design additions to this model do in fact replace former appendices that were required to be filed as part of the cost of service (Chapter 2) filing requirements.

Commencing with 2023 rate applications, the RRWF has been enhanced with an additional column, so that two stages of processing of an application (e.g. interrogatory responses and settlement agreement) between the initial application filing and the OEB decision and draft rate order ("Per Board Decision") can be used. Functionality of the RRWF is the same as in previous versions of the RRWF. (May 2022)

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2027 Filers

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Notes:

(1) Pale green cells represent inputs
(2) Pale green boxes at the bottom of each page are for additional notes
(3) Pale blue cells represent drop-down lists

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Revenue Requirement Workform (RRWF) for 2027 Filers

Data Input Sheet

		Initial Application (1)	Adjustments	Interrogatory Responses (5)	Adjustments	Settlement Agreement (5)	Adjustments	Per Board Decision
1	**Rate Base**							
	Gross Fixed Assets (average)	$267,096,762 (3)						
	Accumulated Depreciation (average)	($102,750,541) (4)						
	Allowance for Working Capital:							
	Controllable Expenses	$12,526,292						
	Cost of Power	$63,169,504						
	Working Capital Rate (%)	7.50% (8)		(8)		(8)		(8)
2	**Utility Income**							
	Operating Revenues:							
	Distribution Revenue at Current Rates	$25,514,253						
	Distribution Revenue at Proposed Rates	$29,013,852						
	Other Revenue:							
	Miscellaneous Service Revenues	$137,400						
	Late Payment Charges	$143,500						
	Other Operating Revenues	$697,699						
	Other Income and Deductions	$371,000						
	Total Revenue Offsets	$1,349,599 (6)						
	Operating Expenses:							
	OM+A Expenses	$12,383,274						
	Depreciation/Amortization	$6,819,285						
	Property taxes	$143,019						
	Other expenses							
3	**Taxes/PILs**							
	Taxable Income:							
	Adjustments required to arrive at taxable income	($4,852,173) (2)						
	Utility Income Taxes and Rates:							
	Income taxes (not grossed up)	$356,022						
	Income taxes (grossed up)	$484,384						
	Federal tax (%)	15.00%						
	Provincial tax (%)	11.50%						
	Income Tax Credits							
4	**Capitalization/Cost of Capital**							
	Capital Structure:							
	Long-term debt (Notional) Capitalization Ratio (%)							
	Long-term debt (Actual) Capitalization Ratio (%)	56.0%						
	Short-term debt Capitalization Ratio (%)	4.0% (7)		(7)		(7)		(7)
	Common Equity Capitalization Ratio (%)	40.0%						
	Prefered Shares Capitalization Ratio (%)	0.0%						
		100.0%						
	Cost of Capital							
	Long-term debt (Notional) Cost Rate (%)	4.4%						
	Long-term debt (Actual) Cost Rate (%)	4.4%						
	Short-term debt Cost Rate (%)	2.72%						
	Common Equity Cost Rate (%)	9.11%						
	Prefered Shares Cost Rate (%)	0.00%						

Notes:

General Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.

(1) Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I

(2) Net of addbacks and deductions to arrive at taxable income.

(3) Average of Gross Fixed Assets at beginning and end of the Test Year

(4) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.

(5) Select option from drop-down list by clicking on cell M12 or U12. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected. Beginning for 2023,two intermediate stages can be shown (e.g., Interrogatory Responses and Settlement Agreement).

(6) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement. Enter a positive amount.

(7) **4.0%** unless an Applicant has proposed or been approved another amount.

(8) The default Working Capital Allowance factor is **7.5%** (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, a WCA factor based on lead-lag study with supporting rationale could be provided. Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015.

Exhibit 6

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2027 Filers

Rate Base and Working Capital

Rate Base

Line No.	Particulars		Initial Application	Adjustments	Interrogatory Responses	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
1	Gross Fixed Assets (average)	(2)	$267,096,762		$ -		$ -		$ -
2	Accumulated Depreciation (average)	(2)	($102,750,541)		$ -		$ -		$ -
3	Net Fixed Assets (average)	(2)	$164,346,221	$ -	$ -	$ -	$ -	$ -	$ -
4	Allowance for Working Capital	(1)	$5,677,185	($5,677,185)	$ -	$ -	$ -	$ -	$ -
5	**Total Rate Base**		$170,023,406	($5,677,185)	$ -	$ -	$ -	$ -	$ -

(1) Allowance for Working Capital - Derivation

Line No.	Particulars		Initial Application	Adjustments	Interrogatory Responses	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
6	Controllable Expenses		$12,526,292		$ -		$ -		$ -
7	Cost of Power		$63,169,504		$ -		$ -		$ -
8	Working Capital Base		$75,695,796	$ -	$ -	$ -	$ -	$ -	$ -
9	Working Capital Rate %	(1)	7.50%	-7.50%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Working Capital Allowance		$5,677,185	($5,677,185)	$ -	$ -	$ -	$ -	$ -

Notes

(1) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for cost of service applications is 7.5%, per the letter issued by the OEB on June 3, 2015.

(2) Average of opening and closing balances for the year.

Exhibit 6

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2027 Filers

Utility Income

Line No.	Particulars		Initial Application	Adjustments	Interrogatory Responses	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
	Operating Revenues:								
1	Distribution Revenue (at Proposed Rates)		$29,013,852	($29,013,852)	$ -	$ -	$ -	$ -	$ -
2	Other Revenue	(1)	$1,349,599	($1,349,599)	$ -	$ -	$ -	$ -	$ -
3	Total Operating Revenues		$30,363,451	($30,363,451)	$ -	$ -	$ -	$ -	$ -
	Operating Expenses:								
4	OM+A Expenses		$12,383,274		$ -		$ -		$ -
5	Depreciation/Amortization		$6,819,285		$ -		$ -		$ -
6	Property taxes		$143,019		$ -		$ -		$ -
7	Capital taxes		$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	Other expense		$ -		$ -		$ -		$ -
9	Subtotal (lines 4 to 8)		$19,345,577	$ -	$ -	$ -	$ -	$ -	$ -
10	Deemed Interest Expense		$4,337,837	($4,337,837)	$ -	$ -	$ -	$ -	$ -
11	Total Expenses (lines 9 to 10)		$23,683,414	($4,337,837)	$ -	$ -	$ -	$ -	$ -
12	**Utility income before income taxes**		$6,680,037	($26,025,614)	$ -	$ -	$ -	$ -	$ -
13	Income taxes (grossed-up)		$484,384	$ -	$484,384	$ -	$484,384	$ -	$484,384
14	**Utility net income**		$6,195,653	($26,025,614)	($484,384)	$ -	($484,384)	$ -	($484,384)

Other Revenues / Revenue Offsets

	Particulars	Initial Application	Adjustments	Interrogatory Responses	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
(1)	Specific Service Charges	$137,400		$ -		$ -		$ -
	Late Payment Charges	$143,500		$ -		$ -		$ -
	Other Distribution Revenue	$697,699		$ -		$ -		$ -
	Other Income and Deductions	$371,000		$ -		$ -		$ -
	Total Revenue Offsets	$1,349,599	$ -	$ -	$ -	$ -	$ -	$ -

Notes

Exhibit 6 Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2027 Filers

Taxes/PILs

Line No.	Particulars	Application	Interrogatory Responses	Settlement Agreement	Per Board Decision
	Determination of Taxable Income				
1	Utility net income before taxes	$6,195,653	$ -	$ -	$ -
2	Adjustments required to arrive at taxable utility income	($4,852,173)	$ -	$ -	$ -
3	Taxable income	$1,343,480	$ -	$ -	$ -
	Calculation of Utility income Taxes				
4	Income taxes	$356,022	$356,022	$356,022	$356,022
6	Total taxes	$356,022	$356,022	$356,022	$356,022
7	Gross-up of Income Taxes	$128,362	$128,362	$128,362	$128,362
8	Grossed-up Income Taxes	$484,384	$484,384	$484,384	$484,384
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	$484,384	$484,384	$484,384	$484,384
10	Other tax Credits	$ -	$ -	$ -	$ -
	Tax Rates				
11	Federal tax (%)	15.00%	15.00%	15.00%	15.00%
12	Provincial tax (%)	11.50%	11.50%	11.50%	11.50%
13	Total tax rate (%)	26.50%	26.50%	26.50%	26.50%

Notes

Exhibit 6 Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2027 Filers

Capitalization/Cost of Capital

Initial Application

Line No.	Particulars	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
	Debt				
1	Long-term Debt (Notional)	0.00%	$ -	4.36%	$ -
2	Long-term Debt (Actual)	56.00%	$95,213,107	4.36%	$4,152,851
3	Short-term Debt	4.00%	$6,800,936	2.72%	$184,985
4	**Total Debt**	60.00%	$102,014,043	4.25%	$4,337,837
	Equity				
5	Common Equity	40.00%	$68,009,362	9.11%	$6,195,653
6	Preferred Shares	0.00%	$ -	0.00%	$ -
7	**Total Equity**	40.00%	$68,009,362	9.11%	$6,195,653
8	**Total**	100.00%	$170,023,406	6.20%	$10,533,490

Interrogatory Responses

Line No.	Particulars	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
	Debt				
1	Long-term Debt (Notional)	0.00%	$ -	0.00%	$ -
2	Long-term Debt (Actual)	0.00%	$ -	0.00%	$ -
3	Short-term Debt	0.00%	$ -	0.00%	$ -
4	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
5	Common Equity	0.00%	$ -	0.00%	$ -
6	Preferred Shares	0.00%	$ -	0.00%	$ -
7	**Total Equity**	0.00%	$ -	0.00%	$ -
8	**Total**	0.00%	$ -	0.00%	$ -

Settlement Agreement

Line No.	Particulars	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
	Debt				
1	Long-term Debt (Notional)	0.00%	$ -	4.36%	$ -
2	Long-term Debt (Actual)	0.00%	$ -	4.36%	$ -
3	Short-term Debt	0.00%	$ -	2.72%	$ -
4	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
5	Common Equity	0.00%	$ -	9.11%	$ -
6	Preferred Shares	0.00%	$ -	0.00%	$ -
7	**Total Equity**	0.00%	$ -	0.00%	$ -
8	**Total**	0.00%	$ -	0.00%	$ -

Per Board Decision

Line No.	Particulars	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
	Debt				
1	Long-term Debt (Notional)	0.00%	$ -	4.36%	$ -
2	Long-term Debt (Actual)	0.00%	$ -	4.36%	$ -
3	Short-term Debt	0.00%	$ -	2.72%	$ -
4	**Total Debt**	0.00%	$ -	0.00%	$ -
	Equity				
5	Common Equity	0.00%	$ -	9.11%	$ -
6	Preferred Shares	0.00%	$ -	0.00%	$ -
7	**Total Equity**	0.00%	$ -	0.00%	$ -
8	**Total**	0.00%	$ -	0.00%	$ -

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Exhibit 6

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Revenue Requirement Workform (RRWF) for 2027 Filers

Revenue Deficiency/Sufficiency

Line No.	Particulars	Initial Application: At Current Approved Rates	Initial Application: At Proposed Rates	Interrogatory Responses: At Current Approved Rates	Interrogatory Responses: At Proposed Rates	Settlement Agreement: At Current Approved Rates	Settlement Agreement: At Proposed Rates	Per Board Decision: At Current Approved Rates	Per Board Decision: At Proposed Rates
1	Revenue Deficiency from Below		$3,499,599		$ -		$ -		$ -
2	Distribution Revenue	$25,514,253	$25,514,253	$ -	$ -	$ -	$ -	$ -	$ -
3	Other Operating Revenue Offsets - net	$1,349,599	$1,349,599	$ -	$ -	$ -	$ -	$ -	$ -
4	**Total Revenue**	$26,863,852	$30,363,451	$ -	$ -	$ -	$ -	$ -	$ -
5	Operating Expenses	$19,345,577	$19,345,577	$ -	$ -	$ -	$ -	$ -	$ -
6	Deemed Interest Expense	$4,337,837	$4,337,837	$ -	$ -	$ -	$ -	$ -	$ -
8	**Total Cost and Expenses**	$23,683,414	$23,683,414	$ -	$ -	$ -	$ -	$ -	$ -
9	**Utility Income Before Income Taxes**	$3,180,437	$6,680,037	$ -	$ -	$ -	$ -	$ -	$ -
10	Tax Adjustments to Accounting Income per 2013 PILs model	($4,852,173)	($4,852,173)	$ -	$ -	$ -	$ -	$ -	$ -
11	**Taxable Income**	($1,671,735)	$1,827,864	$ -	$ -	$ -	$ -	$ -	$ -
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	**Income Tax on Taxable Income**	($443,010)	$484,384	$ -	$ -	$ -	$ -	$ -	$ -
14	**Income Tax Credits**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
15	**Utility Net Income**	$3,623,447	$6,195,653	$ -	($484,384)	$ -	($484,384)	$ -	($484,384)
16	**Utility Rate Base**	$170,023,406	$170,023,406	$ -	$ -	$ -	$ -	$ -	$ -
17	Deemed Equity Portion of Rate Base	$68,009,362	$68,009,362	$ -	$ -	$ -	$ -	$ -	$ -
18	Income/(Equity Portion of Rate Base)	5.33%	9.11%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	Target Return - Equity on Rate Base	9.11%	9.11%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	Deficiency/Sufficiency in Return on Equity	-3.78%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
21	Indicated Rate of Return	4.68%	6.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22	Requested Rate of Return on Rate Base	6.20%	6.20%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23	Deficiency/Sufficiency in Rate of Return	-1.51%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
24	Target Return on Equity	$6,195,653	$6,195,653	$ -	$ -	$ -	$ -	$ -	$ -
25	Revenue Deficiency/(Sufficiency)	$2,572,206	$ -	$ -	$ -	$ -	$ -	$ -	$ -
26	**Gross Revenue Deficiency/(Sufficiency)**	$3,499,599 (1)		$ - (1)		$ - (1)		$ - (1)	

Notes:
(1) Revenue Deficiency/Sufficiency divided by (1 - Tax Rate)

Exhibit 6

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2027 Filers

Revenue Requirement

Line No.	Particulars	Application		Interrogatory Responses		Settlement Agreement		Per Board Decision	
1	OM&A Expenses	$12,383,274		$ -		$ -		$ -	
2	Amortization/Depreciation	$6,819,285		$ -		$ -		$ -	
3	Property Taxes	$143,019		$ -		$ -		$ -	
5	Income Taxes (Grossed up)	$484,384		$484,384		$484,384		$484,384	
6	Other Expenses	$ -		$ -		$ -		$ -	
7	Return								
	Deemed Interest Expense	$4,337,837		$ -		$ -		$ -	
	Return on Deemed Equity	$6,195,653		$ -		$ -		$ -	
8	**Service Revenue Requirement (before Revenues)**	$30,363,451		$484,384		$484,384		$484,384	
9	Revenue Offsets	$1,349,599		$ -		$ -		$ -	
10	**Base Revenue Requirement (excluding Tranformer Owership Allowance credit adjustment)**	$29,013,852		$484,384		$484,384		$484,384	
11	Distribution revenue	$29,013,852		$ -		$ -		$ -	
12	Other revenue	$1,349,599		$ -		$ -		$ -	
13	**Total revenue**	$30,363,451		$ -		$ -		$ -	
14	**Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)**	$ -	(1)	($484,384)	(1)	($484,384)	(1)	($484,384)	(1)

Summary Table of Revenue Requirement and Revenue Deficiency/Sufficiency

	Application	Interrogatory Responses	Δ% (2)	Settlement Agreement	Δ% (2)	Per Board Decision	Δ% (2)
Service Revenue Requirement	$30,363,451	$484,384	(98.40%)	$484,384	(98.40%)	$484,384	(98.40%)
Grossed-Up Revenue Deficiency/(Sufficiency)	$3,499,599	$ -	(100.00%)	$ -	(100.00%)	$ -	(100.00%)
Base Revenue Requirement (to be recovered from Distribution Rates)	$29,013,852	$484,384	(98.33%)	$484,384	(98.33%)	$484,384	(98.33%)
Revenue Deficiency/(Sufficiency) Associated with Base Revenue Requirement	$3,499,599	$ -	(100.00%)	$ -	(100.00%)	$ -	(100.00%)

Notes

(1) Line 11 - Line 8

(2) Percentage Change Relative to Initial Application

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2027 Filers

Load Forecast Summary

This spreadsheet provides a summary of the customer and load forecast on which the test year revenue requirement is derived. The amounts serve as the denominators for deriving the rates to recover the test year revenue requirement for purposes of this RRWF.

The information to be input is inclusive of any adjustments to kWh and kW to reflect the impacts of CDM programs up to and including CDM programs planned to be executed in the test year. i.e., the load forecast adjustments determined in **Appendix 2-IB** should be incorporated into the entries. The inputs should correspond with the summary of the Load Forecast for the Test Year in **Appendix 2-IB** and in Exhibit 3 of the application.

Appendix 2-IB is still required to be filled out, as it also provides a year-over-year variance analysis of demand growth and trends from historical actuals to the Bridge and Test Year forecasts.

Stage in Process: Initial Application

	Customer Class	Initial Application			Interrogatory Responses			Settlement Agreement			Per Board Decision		
	Input the name of each customer class.	**Customer / Connections** Test Year average or mid-year	**kWh** Annual	**kW/kVA [(1)]** Annual	**Customer / Connections** Test Year average or mid-year	**kWh** Annual	**kW/kVA [(1)]** Annual	**Customer / Connections** Test Year average or mid-year	**kWh** Annual	**kW/kVA [(1)]** Annual	**Customer / Connections** Test Year average or mid-year	**kWh** Annual	**kW/kVA [(1)]** Annual
1	Residential	28,818	237,403,471	-									
2	General Service <50 kW	2,556	67,709,853	-									
3	General Service >50kW	201	179,251,887	639,656									
4	Unmetered Scattered Load	45	1,347,134	-									
5	Sentinel Lighting	593	409,776	1,339									
6	Street Lighting	6,257	1,461,700	4,448									
7	Embedded Distributor	1	5,636,847	15,118									
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20													
	Total	**38,470**	**493,220,667**	**660,561**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Notes:

[(1)] Input kW or kVA for those customer classes for which billing is based on demand (kW or kVA) versus energy consumption (kWh)

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2027 Filers

Cost Allocation and Rate Design

This spreadsheet replaces **Appendix 2-P** and provides a summary of the results from the Cost Allocation spreadsheet, and is used in the determination of the class revenue requirement and, hence, ultimately, the determination of rates from customers in all classes to recover the revenue requirement.

Stage in Application Process: ***Initial Application***

A) Allocated Costs

	Name of Customer Class (3) From Sheet 10. Load Forecast	Costs Allocated from Previous Study (1)	%	Allocated Class Revenue Requirement (1) (7A)	%
1	Residential	$14,745,229	63.60%	$20,261,806	66.73%
2	General Service <50 kW	$2,795,545	12.06%	$3,421,484	11.27%
3	General Service >50kW	$5,073,776	21.88%	$5,925,853	19.52%
4	Unmetered Scattered Load	$73,314	0.32%	$79,603	0.26%
5	Sentinel Lighting	$59,312	0.26%	$73,244	0.24%
6	Street Lighting	$291,970	1.26%	$436,433	1.44%
7	Embedded Distributor	$145,828	0.63%	$165,029	0.54%
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					0.00%
	Total	$23,184,974	100.00%	**$30,363,451**	100.00%

Service Revenue Requirement (from Sheet 9) **$ 30,363,450.97**

(1) Class Allocated Revenue Requirement, from Sheet O-1, Revenue to Cost || RR, row 40, from the Cost Allocation Study in this application. This excludes costs in deferral and variance accounts. For Embedded Distributors, Account 4750 - Low Voltage (LV) Costs are also excluded.

(2) Host Distributors - Provide information on any embedded distributor(s) as a separate class, if applicable. If embedded distributors are billed in a General Service class, include the allocated costs and revenues of the embedded distributor(s) in the applicable class, and also complete Appendix 2-Q.

(3) Customer Classes - If these differ from those in place in the previous cost allocation study, modify the customer classes to match the proposal in the current application as closely as possible.

Exhibit 6

B) Calculated Class Revenues

	Name of Customer Class	Load Forecast (LF) X current approved rates	LF X current approved rates X (1+d)	LF X Proposed Rates	Miscellaneous Revenues
		(7B)	(7C)	(7D)	(7E)
1	Residential	$15,935,278	$18,121,001	$18,139,209	$941,647
2	General Service <50 kW	$3,323,757	$3,779,652	$3,779,652	$141,844
3	General Service >50kW	$5,554,729	$6,316,630	$6,316,630	$229,877
4	Unmetered Scattered Load	$77,591	$88,234	$88,234	$3,577
5	Sentinel Lighting	$60,688	$69,012	$69,012	$3,590
6	Street Lighting	$393,742	$447,749	$430,544	$21,600
7	Embedded Distributor	$168,467	$191,574	$190,572	$7,463
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
	Total	$ 25,514,253	$ 29,013,852	$ 29,013,852	$ 1,349,599

(4) In columns 7B to 7D, LF means Load Forecast of Annual Billing Quantities (i.e., customers or connections, as applicable X 12 months, and kWh, kW or kVA as applicable. Revenue quantities should be net of the Transformer Ownership Allowance for applicable customer classes. Exclude revenues from rate adders and rate riders.

(5) Columns 7C and 7D - Column Total should equal the Base Revenue Requirement for each.
Column 7C - The OEB-issued cost allocation model calculates "1+d" on worksheet O-1, cell C22. "d" is defined as Revenue Deficiency/Revenue at Current Rates.

(6)

(7) Column 7E - If using the OEB-issued cost allocation model, enter Miscellaneous Revenues as it appears on worksheet O-1, row 19.

Exhibit 6

C) Rebalancing Revenue-to-Cost Ratios

	Name of Customer Class	Previously Approved Ratios Most Recent Year: 2022	Status Quo Ratios (7C + 7E) / (7A)	Proposed Ratios (7D + 7E) / (7A)	Policy Range
		%	%	%	%
1	Residential	95.70%	94.08%	94.17%	85 - 115
2	General Service <50 kW	108.59%	114.61%	114.61%	80 - 120
3	General Service >50kW	104.75%	110.47%	110.47%	80 - 120
4	Unmetered Scattered Load	96.18%	115.34%	115.34%	80 - 120
5	Sentinel Lighting	102.11%	99.13%	99.13%	80 - 120
6	Street Lighting	120.00%	107.54%	103.60%	80 - 120
7	Embedded Distributor	97.80%	120.61%	120.00%	80 - 120
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

(8) Previously Approved Revenue-to-Cost (R/C) Ratios - For most applicants, the most recent year would be the third year (at the latest) of the Price Cap IR period. For example, if the applicant, rebased in 2021 with further adjustments to move within the range over two years, the Most Recent Year would be 2024. However, the ratios in 2025 would be equal to those after the adjustment in 2023.

(9) Status Quo Ratios - The OEB-issued cost allocation model provides the Status Quo Ratios on Worksheet O-1. The Status Quo means "Before Rebalancing".

(10) Ratios shown in red are outside of the allowed range. Applies to both Tables C and D.

Exhibit 6

(D) *Proposed Revenue-to-Cost Ratios* [11]

	Name of Customer Class	Proposed Revenue-to-Cost Ratio			Policy Range
		Test Year	Price Cap IR Period		
		2027	2028	2029	
1	Residential	94.17%	94.17%	94.17%	85 - 115
2	General Service <50 kW	114.61%	114.61%	114.61%	80 - 120
3	General Service >50kW	110.47%	110.47%	110.47%	80 - 120
4	Unmetered Scattered Load	115.34%	115.34%	115.34%	80 - 120
5	Sentinel Lighting	99.13%	99.13%	99.13%	80 - 120
6	Street Lighting	103.60%	103.60%	103.60%	80 - 120
7	Embedded Distributor	120.00%	120.00%	120.00%	80 - 120
8					
9					
10					
11					
12					
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19					
20					

(11) The applicant should complete Table D if it is applying for approval of a revenue-to-cost ratio in 2027 that is outside of the OEB's policy range for any customer class. Table D will show that the distributor is likely to enter into the 2028 and 2029 Price Cap IR models, as necessary. For 2028 and 2029, enter the planned revenue-to-cost ratios that will be "Change" or "No Change" in 2028 (in the current Revenue/Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision - Cost Revenue Adjustment, column d), and enter TBD for class(es) that will be entered as 'Rebalance'.

Ontario Energy Board

Revenue Requirement (RRWF) for 2027

New Rate Design Policy For Residential C

Please complete the following tables.

A Data Inputs (from Sheet 10. Load Forecast)

Test Year Billing Determinants for Residential Class	
Customers	28,818
kWh	237,403,471

Proposed Residential Class Specific Revenue Requirement[1]	$ 18,139,208.65

Residential Base Rates on Current Tariff	
Monthly Fixed Charge ($)	
Distribution Volumetric Rate ($/kWh)	

B Current Fixed/Variable Split

	Base Rates	Billing Determinants
Fixed		28,818
Variable		237,403,471
TOTAL	-	-

C Calculating Test Year Base Rates

Number of Remaining Rate Design Policy Transition Years[2]	

	Test Year Revenue @ Current F/V Split	Test Year Base Rates @ Current F/V Split
Fixed		
Variable		
TOTAL		-

	New F/V Split	Revenue @ new F/V Split

Fixed		
Variable		
TOTAL	-	$ -

Checks[3]	
Change in Fixed Rate	
Difference Between Revenues @ Proposed Rates and Class Specific Revenue Requirement	

Notes:

1 The final residential class specific revenue requirement, excluding allocated Miscellaneous Revenues, a used (i.e. the revenue requirement after any proposed adjustments to R/C ratios).

2 The distributor should enter the number of years remaining before the transition to fully fixed rates is con almost complete and distributors should have either 0 or 1 year remaining. If the distributor has fully tran distributor has proposed an additional transition year because the change in the residential rate design w than $4/year, put "1" in cell D40.

3 Change in fixed rate due to rate design policy should be less than $4. The difference between the propos calculated base rates should be minimal (i.e. should be reasonably considered as a rounding error)

ustomers

Revenue	% of Total Revenue
	-

Reconciliation - Test Year Base Rates @ Current F/V Split

Final Adjusted Base Rates	Revenue Reconciliation @ Adjusted Rates

Exhibit 6

-	

s shown on Sheet 11. Cost Allocation, should be

npleted. The change in residential rate design is
sitioned to fixed rates put "0" in cell D40. If the
vill result in the fixed charge increasing by more

sed class revenue requirement and the revenue at

Exhibit 6

Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2027 Filers

Rate Design and Revenue Reconciliation

This sheet replaces Appendix 2-V, and provides a simplified model for calculating the standard monthly and voluemtric rates based on the allocated class revenues and fixed/variable split resulting from the cost allocation study and rate design and as proposed by the applicant. However, the RRWF does not replace the rate generator model that an applicant distributor may use in support of its application. The RRWF provides a demonstrative check on the derivation of the revenue requirement and on the proposed base distribution rates to recover the revenue requirement, based on summary information from a more detailed rate generator model and other models that applicants use for cost allocation, load forecasting, taxes/PILs, etc.

Stage in Process:	Initial Application

	Customer and Load Forecast					Class Allocated Revenues			Fixed / Variable Splits [2,3]			Distribution Rates					Revenue Reconciliation		
						From Sheet 11. Cost Allocation and Sheet 12. Residential Rate Design			Percentage to be entered as a fraction between 0 and 1			Monthly Service Charge [2]		Volumetric Rate [3]					
	Customer Class From sheet 10. Load Forecast	Volumetric Charge Determinant	Customers / Connections	kWh	kW or kVA	Total Class Revenue Requirement	Monthly Service Charge	Volumetric	Fixed	Variable	Transformer Ownership Allowance [1] ($)	Rate	No. of decimals	Rate		No. of decimals	MSC Revenues	Volumetric revenues	Distribution Revenues less Transformer Ownership
1	Residential	kWh	28,818	237,403,471	-	$ 18,139,209	$ 18,139,209	$ -	100.00%	0.00%		$52.45	2	$0.0000	/kWh	4	$18,138,136.83	$0.00	$18,138,136.83
2	General Service <50 kW	kWh	2,556	67,709,853	-	$ 3,779,652	$ 1,234,037	$ 2,545,614	32.65%	67.35%		$40.24		$0.0376	/kWh		$1,234,140.53	$2,545,890.46	$3,780,030.98
3	General Service >50kW	kW	201	179,251,887	639,656	$ 6,316,630	$ 469,320	$ 5,847,309	7.43%	92.57%	$194,111	$194.73		$9.4448	/kW		$469,320.32	$6,041,421.06	$6,316,630.86
4	Unmetered Scattered Load	kWh	45	1,347,134	-	$ 88,234	$ 32,867	$ 55,367	37.25%	62.75%		$61.23		$0.0411	/kWh		$32,866.57	$55,367.20	$88,233.77
5	Sentinel Lighting	kW	593	409,776	1,339	$ 69,012	$ 49,842	$ 19,171	72.22%	27.78%		$7.01		$14.3182	/kW		$49,841.57	$19,170.76	$69,012.33
6	Street Lighting	kW	6,257	1,461,700	4,448	$ 430,544	$ 385,030	$ 45,514	89.43%	10.57%		$5.13		$10.2320	/kW		$385,153.81	$45,513.54	$430,667.35
7	Embedded Distributor	kW	1	5,636,847	15,118	$ 190,572	$ 8,408	$ 182,164	4.41%	95.59%		$700.69		$12.0496	/kW		$8,408.28	$182,163.89	$190,572.17
8			-	-	-												$0.00	$0.00	$0.00
9			-	-	-												$0.00	$0.00	$0.00
#			-	-	-												$0.00	$0.00	$0.00
#			-	-	-												$0.00	$0.00	$0.00
#			-	-	-												$0.00	$0.00	$0.00
#			-	-	-												$0.00	$0.00	$0.00
#			-	-	-												$0.00	$0.00	$0.00
#			-	-	-												$0.00	$0.00	$0.00
#			-	-	-												$0.00	$0.00	$0.00
#			-	-	-												$0.00	$0.00	$0.00
#			-	-	-												$0.00	$0.00	$0.00
#			-	-	-												$0.00	$0.00	$0.00
#			-	-	-												$0.00	$0.00	$0.00
	totals		38,470	493,220,667	660,561	29,013,852	20,318,713	8,695,139	Total Transformer Ownership Allowance		$194,111								

Revenue Reconciliation	
Total Distribution Revenues	$29,013,284.29
Base Revenue Requirement	$29,013,852.30
Difference	-$568.01
% Difference	-0.002%

Rates recover revenue requirement

Notes:

[1] Transformer Ownership Allowance is entered as a positive amount, and only for those classes to which it applies.

[2] The Fixed/Variable split, for each customer class, drives the "rate generator" portion of this sheet of the RRWF. Only the "fixed" fraction is entered, as the sum of the "fixed" and "variable" portions must sum to 100%. For a distributor that may set the Monthly Service Charge, the "fixed" ratio is calculated as: [MSC x (average number of customers or connections) x 12 months] / (Class Allocated Revenue Requirement).

[3] The Volumetric rate is calculated as [(allocated volumetric revenue requirement for the class + transformer allowance credit for the class)/(annual estimate of the charge determinant for the test year (either kW or kVA for demand-billed customer classes, or kWh for non-demand-billed classes)]

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Ontario Energy Board

Revenue Requirement Workform (RRWF) for 2027 Filers

Tracking Form

The first row shown, labelled "Original Application", summarizes key statistics based on the data inputs into the RRWF. After the original application filing, the applicant provides key changes in capital and operating expenses, load forecasts, cost of capital, etc., as revised through the processing of the application. This could be due to revisions or responses to interrogatories. The last row shown is the most current estimate of the cost of service data reflecting the original application and any updates provided by the applicant distributor (for updated evidence, responses to interrogatories, undertakings, etc.)
Please ensure a Reference (Column B) and/or Item Description (Column C) is entered.
(1) Short reference to evidence material (interrogatory response, undertaking, exhibit number, Board Decision, Code, Guideline, Report of the Board, etc.)
(2) Short description of change, issue, etc.

Summary of Proposed Changes

			Cost of Capital		Rate Base and Capital Expenditures			Operating Expenses			Revenue Requirement			
	Reference [1]	Item / Description [2]	Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance ($)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	Grossed up Revenue Deficiency / Sufficiency
		Original Application	$10,533,490	6.20%	$170,023,406	$75,695,796	$5,677,185	$6,819,285	$484,384	$12,383,274	$30,363,451	$1,349,599	$29,013,852	$3,499,599
1														

ATTACHMENT 6-B:
PILS WORK FORM

Ontario Energy Board

Income Tax/PILs Workform for 2027 Filers

Version 1.00

Utility Name	Canadian Niagara Power Inc.
Assigned EB Number	EB-2026-0029
Name and Title	Oana Stefan, Manager, Regulatory Affairs
Phone Number	289-230-9773
Email Address	RegulatoryAffairs@fortisontario.com
Date	19-May-26
Last COS Re-based Year	2022

Unlock Model

Note: Drop-down lists are shaded blue; Input cells are shaded green.

Instructions

Purpose
The purpose of this workbook is to calculate the estimated Payment in Lieu of Taxes (PILs) for the Test Year. The calculation of PILs for the Test Year is on tab T0 and is based on the inputs on the other tabs.

Tab S Summary is a summary of the amounts to be transferred to the Data Input Sheet of the Revenue Requirement Workform.

Tab S1 Integrity Checks must be completed after the completion of the PILs calculation in this workbook.

Methodology
To calculate the PILs for the Test Year:

1) input the balances from the income tax return of the Historical Year in tabs H1 to H13.
2) input the balances for the Bridge Year and the Test Year.
Inputs should include:
- non-deductible expenses (Schedule 1 - B1 and T1)
- loss carryforward (Schedule 4 - B4 and T4)
- capital cost allowance (Schedule 8 - B8 and T8)
- non-deductible reserves (Schedule 13 - B13 and T13)

3) make any other adjustments and inputs required so that the PILs amount calculated for the Test Year on tab T0 is reasonable.

Other Notes
Tabs H0 to H13 relate to the Historical Year.
Tabs B0 to B13 relate to the Bridge Year.
Tabs T0 to T13 relate to the Test Year.

The amounts on tabs H0 to H13 should agree to the tax return filed with the Canada Revenue Agency. Any CRA audit adjustments or corrections should also be reflected.

It is assumed the net income before tax for the Test Year is equal to the Return on Equity. Return on Equity is calculated on tab A.

On tab "A. Data Input Sheet", input the "Rate Base" amount and "Return on Rate Base" amounts.

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Income Tax/PILs Workform for 2027 Filers

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Income Tax/PILs Workform for 2027 Filers

No inputs required on this worksheet.

Inputs on Service Revenue Requirement Worksheet

The Service Revenue Requirement is in the 'Revenue Requirement Workform' - Tab 3.

Item	Working Paper Reference	Summary
Adjustments required to arrive at taxable income	as below	**-4,852,173**
Test Year - Payments in Lieu of Taxes (PILs)	T0	**356,022**
Test Year - Grossed-up PILs	T0	**484,384**
Effective Federal Tax Rate	T0	**15.0%**
Effective Ontario Tax Rate	T0	**11.5%**

Calculation of Adjustments required to arrive at Taxable Income

Regulatory Income (before income taxes)	T1	6,195,653	
Taxable Income	T1	1,343,480	
Difference	calculated	-4,852,173	as above

Exhibit 6

Income Tax/PILs Workform for 2027 Filers

Integrity Checks

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

	Item	Utility Confirmation (Y/N)	Notes
1	The depreciation and amortization added back in the application's PILs model agree with the numbers disclosed in the rate base section of the application	Y	
2	The capital additions and deductions in the CCA Schedule 8 agree with the rate base section for historical, bridge and test years	Y	CCA excludes additions in OEB 1612 + 1805
3	Schedule 8 of the most recent federal T2 tax return filed with the application has a closing December 31 historical year UCC that agrees with the opening (January 1) bridge year UCC. If the amounts do not agree, then the applicant must provide a reconciliation with explanations. Distributors must segregate non-distribution tax amounts on Schedule 8.	Y	
4	The CCA deductions in the application's PILs tax model for historical, bridge and test years (as applicable) agree with the numbers in the CCA Schedule 8 for the same years filed in the application	Y	Note: Reconciliation prepared for Schedule 8 as tax software program update not yet available with RII CCA rule changes reflected in it.
5	Loss carry-forwards, if any, from prior year tax returns' Schedule 4 agree with those disclosed in the application	Y	
6	A discussion is included in the application as to when the loss carry-forwards, if any, will be fully utilized	Y	
7	CCA is maximized even if there are tax loss carry-forwards	Y	
8	Other post-employment benefits and pension expenses that are added back on Schedule 1 to reconcile accounting income to net income for tax purposes agree with the OM&A analysis for compensation. The amounts deducted are reasonable when compared with the notes to the audited financial statements, Financial Services Commission of Ontario reports, and actuarial valuations.	Y	
9	The income tax rate used to calculate the tax expense is consistent with the utility's actual tax facts and evidence filed in the application	Y	

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Ontario Energy Board

Income Tax/PILs Workform for 2027 Filers

	Summary		Test Year	Bridge Year	
Rate Base		S	**$ 170,023,406**	**$ 162,435,055**	
Return on Ratebase					
Deemed ShortTerm Debt %	4.00%	T	$ 6,800,936	*W = S * T*	
Deemed Long Term Debt %	56.00%	U	$ 95,213,107	*X = S * U*	
Deemed Equity %	40.00%	V	$ 68,009,362	*Y = S * V*	
Short Term Interest Rate	2.72%	Z	$ 184,985	*AC = W * Z*	
Long Term Interest	4.36%	AA	$ 4,152,851	*AD = X * AA*	
Return on Equity (Regulatory Income)	9.11%	AB	**$ 6,195,653**	*AE = Y * AB*	T1
Return on Rate Base			**$ 10,533,490**	*AF = AC + AD + AE*	

Questions that must be answered

	Historical Year	Bridge Year	Test Year
1. Does the applicant have any Investment Tax Credits (ITC)?	No	No	No
2. Does the applicant have any SRED Expenditures?	No	No	No
3. Does the applicant have any Capital Gains or Losses for tax purposes?	Yes	No	No
4. Does the applicant have any Capital Leases?	No	No	No
5. Does the applicant have any Loss Carry-Forwards (non-capital or net capital)?	No	No	No
6. Since 1999, has the applicant acquired another regulated applicant's assets?	No	No	No
7. Did the applicant pay dividends? *If Yes, please describe the tax treatment in the manager's summary.*	Yes	Yes	Yes
8. Did the applicant elect to capitalize interest incurred on CWIP for tax purposes?	No	No	No

Ontario Energy Board

Income Tax/PILs Workform for 2027 Filers

Tax Rates Federal & Provincial As of MMM XX, 2020	Effective January 1, 2021	Effective January 1, 2022	Effective January 1, 2023	Effective January 1, 2024	Effective January 1, 2025	Effective January 1, 2026	Effective January 1, 2027
Federal income tax							
General Corporate Rate	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%
Federal Tax Abatement	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%
Adjusted Federal Rate	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%
Rate Reduction	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%
Federal Income Tax	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
Ontario Income Tax	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%
Combined Federal and Ontario	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
Federal & Ontario Small Business							
Federal Small Business Limit	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Ontario Small Business Limit	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Federal Small Business Rate	11.00%	10.50%	10.50%	10.00%	9.00%	9.00%	9.00%
Ontario Small Business Rate	4.50%	4.50%	3.50%	3.50%	3.20%	3.20%	3.20%

Notes

1. The Ontario Energy Board's proxy for taxable capital is rate base.
2. The appropriate Federal and Ontario small business rates are calculated in the Income/PILs Workform. The Federal and Ontario small business deduction:
   a. is applicable if taxable capital is below $10 million.
   b. is phased out with taxable capital of more than $10 million.
   c. is completely eliminated when the taxable capital is $15 million or more. Effective for the 2022 taxation year, the Federal small business deduction is revised to be completely eliminated when the taxable capital is $50 million or more.

Ontario Energy Board

Exhibit 6

Income Tax/PILs Workform for 2027 Filers

PILs Tax Provision - Historical Year

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

				Wires Only	
Regulatory Taxable Income			H1	-$ 1,553,937	A
Combined Tax Rate and PILs	Ontario Tax Rate (Maximum 11.5%)	11.50%	B		
	Federal tax rate (Maximum 15%)	15.00%	C		
	Combined tax rate (Maximum 26.5%)			26.50%	D = B+C
Total Income Taxes				**-$ 411,793**	E = A * D
Investment Tax Credits				$ -	F
Miscellaneous Tax Credits				$ -	G
Total Tax Credits				$ -	H = F + G
Corporate PILs/Income Tax Provision for Historical Year				$ -	I = E - H

Ontario Energy Board
Exhibit 6

Income Tax/PILs Workform for 2027 Filers

Adjusted Taxable Income - Historical Year

	T2S1 line #	Total for Legal Entity	Non-Distribution Eliminations	Historic Wires Only
Income before PILs/Taxes	**(A + 101 + 102)**	5,715,584	1,544,803	4,170,781
Additions:				
Interest and penalties on taxes	103			0
Amortization of tangible assets	104	7,229,572	895,002	6,334,570
Amortization of intangible assets	106			0
Recapture of capital cost allowance from Schedule 8	107			0
Income inclusion under subparagraph 13(38)(d)(iii) from Schedule 10	108			0
Income or loss for tax purposes- joint ventures or partnerships	109			
Loss in equity of subsidiaries and affiliates	110			0
Loss on disposal of assets	111	0	0	0
Charitable donations and gifts from Schedule 2	112	708	0	708
Taxable capital gains from Schedule 6	113			0
Political contributions	114			0
Deferred and prepaid expenses	116			0
Scientific research expenditures deducted on financial statements	118			0
Capitalized interest	119			0
Non-deductible club dues and fees	120			0
Non-deductible meals and entertainment expense	121	35,892	0	35,892
Non-deductible automobile expenses	122			0
Non-deductible life insurance premiums	123			0
Non-deductible company pension plans	124			0
Tax reserves deducted in prior year	125			0
Reserves from financial statements – balance at the end of the year	126	2,799,663	0	2,799,663
Soft costs on construction and renovation of buildings	127			0
Capital items expensed	206			0
Debt issue expense	208			0
Development expenses claimed in current year	212			0
Financing fees deducted in books	216	10,548	1,441	9,107
Gain on settlement of debt	220			0
Non-deductible advertising	226			0
Non-deductible interest	227			0
Non-deductible legal and accounting fees	228			0
Recapture of SR&ED expenditures	231			0
Share issue expense	235			0
Write down of capital property	236			0
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237			0
Other additions				
Interest Expensed on Capital Leases	295			0
Realized Income from Deferred Credit Accounts	295			0
Pensions	295			0
Non-deductible penalties	295			0
	295			0
	295			0
ARO Accretion expense				0
Capital Contributions Received (ITA 12(1)(x))				0
Lease Inducements Received (ITA 12(1)(x))				0
Deferred Revenue (ITA 12(1)(a))				0
Prior Year Investment Tax Credits received				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
Total Additions		**10,076,383**	**896,443**	**9,179,940**
Deductions:				
Gain on disposal of assets per financial statements	401	98,380	0	98,380

Non-taxable dividends under section 83	402			0
Capital cost allowance from Schedule 8	403	13,531,926	1,395,724	12,136,202
Terminal loss from Schedule 8	404			0
Allowable business investment loss	406			0
Deferred and prepaid expenses	409			0
Scientific research expenses claimed in year	411			0
Tax reserves claimed in current year	413			0
Reserves from financial statements - balance at beginning of year	414	2,670,076	0	2,670,076
Contributions to deferred income plans	416			0
Book income of joint venture or partnership	305			0
Equity in income from subsidiary or affiliates	306			0
Other deductions				
Interest capitalized for accounting deducted for tax	395			0
Capital Lease Payments	395			0
Non-taxable imputed interest income on deferral and variance accounts	395			0
	395			0
	395			0
ARO Payments - Deductible for Tax when Paid				0
ITA 13(7.4) Election - Capital Contributions Received				0
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds				0
Deferred Revenue - ITA 20(1)(m) reserve				0
Principal portion of lease payments				0
Lease Inducement Book Amortization credit to income				0
Financing fees for tax ITA 20(1)(e) and (e.1)				0
				0
				0
				0
				0
				0
				0
				0
				0
Total Deductions		**16,300,382**	**1,395,724**	**14,904,658**
Net Income for Tax Purposes		**-508,415**	**1,045,522**	**-1,553,937**
Charitable donations from Schedule 2	311			0
Taxable dividends received under section 112 or 113	320			0
Non-capital losses of previous tax years from Schedule 4	331			0
Net capital losses of previous tax years from Schedule 4	332			0
Limited partnership losses of previous tax years from Schedule 4	335			0
TAXABLE INCOME		**-508,415**	**1,045,522**	**-1,553,937**

Ontario Energy Board

Income Tax/PILs Workform for 2027 Filers

Schedule 4 Loss Carry Forward - Historical

Corporation Loss Continuity and Application

Non-Capital Loss Carry Forward Deduction	Total	Non-Distribution Portion	Utility Balance	
Actual Historical	0		0	B4

Net Capital Loss Carry Forward Deduction	Total	Non-Distribution Portion	Utility Balance	
Actual Historical	0		0	B4

Income Tax/PILs Workform for 2027 Filers

Schedule 8 - Historical Year

Class	Class Description	UCC End of Year Historical per tax returns	Less: Non-Distribution Portion	UCC Regulated Historical Year
1	Buildings, Distribution System (acq'd post 1987)	$ 19,035,247	$ 5,804,882	$ 13,230,364
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	$ 341,587	$ 0	$ 341,587
2	Distribution System (acq'd pre 1988)	$ 728,796	$ 285,337	$ 443,459
3	Buildings (acq'd pre 1988)	$ 31,509	-$ 1	$ 31,510
6	Certain Buildings; Fences			$ -
8	General Office Equipment, Furniture, Fixtures	$ 706,370	$ 5,813	$ 700,557
10	Motor Vehicles, Fleet	$ 1,295,498	$ 807	$ 1,294,690
10.1	Certain Automobiles			$ -
12	Computer Application Software (Non-Systems)	$ -	$ -	$ -
13_1	Lease # 1			$ -
13_2	Lease # 2			$ -
13_3	Lease # 3			$ -
13_4	Lease # 4			$ -
14	Limited Period Patents, Franchises, Concessions or Licences			$ -
14.1	Eligible Capital Property (acq'd pre 2017)	$ 35,915		$ 35,915
14.1	Eligible Capital Property (acq'd post 2016)	$ 286,558	$ 286,558	$ -
17	Elec. Generation Equip. (Non-Bldng, acq'd post Feb 27/00); Roads, Lots, Storage			$ -
42	Fibre Optic Cable			$ -
43.1	Certain Clean Energy/Energy-Efficient Generation Equipment			$ -
43.2	Certain Clean Energy/Energy-Efficient Generation Equipment			$ -
45	Computers & System Software (acq'd post Mar 22/04 and pre Mar 19/07)	$ 3	-$ 0	$ 3
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	$ 1	$ -	$ 1
47	Distribution System (acq'd post Feb 22/05)	$ 101,792,085	$ 11,275,275	$ 90,516,809
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	$ 140,012	-$ 0	$ 140,012
95	CWIP			$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
				$ -
	SUB-TOTAL - UCC	124,393,581	17,658,672	106,734,910

Ontario Energy Board
Exhibit 6

Income Tax/PILs Workform for 2027 Filers

Schedule 13 Tax Reserves - Historical

Continuity of Reserves

Description	Historical Balance as per tax returns	Non-Distribution Eliminations	Utility Only	
Capital gains reserves ss.40(1)			0	B13
Tax reserves not deducted for accounting purposes				
Reserve for doubtful accounts ss. 20(1)(l)			0	B13
Reserve for undelivered goods and services not rendered ss. 20(1)(m)			0	B13
Reserve for unpaid amounts ss. 20(1)(n)			0	B13
Debt & share issue expenses ss. 20(1)(e)			0	B13
Other tax reserves			0	B13
			0	
			0	
			0	
			0	
			0	
Total	**0**	**0**	**0**	
Financial Statement Reserves (not deductible for Tax Purposes)				
General reserve for inventory obsolescence (non-specific)			0	B13
General reserve for bad debts			0	B13
Accrued Employee Future Benefits:	2,799,663		2,799,663	B13
- Medical and Life Insurance			0	B13
-Short & Long-term Disability			0	B13
-Accmulated Sick Leave			0	B13
- Termination Cost			0	B13
- Other Post-Employment Benefits			0	B13
Provision for Environmental Costs			0	B13
Restructuring Costs			0	B13
Accrued Contingent Litigation Costs			0	B13
Accrued Self-Insurance Costs			0	B13
Other Contingent Liabilities			0	B13
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)			0	B13
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)			0	B13
Other			0	B13
			0	
			0	
Total	**2,799,663**	**0**	**2,799,663**	

Ontario Energy Board
Exhibit 6

Income Tax/PILs Workform for 2027 Filers

PILS Tax Provision - Bridge Year

						Reference	Wires Only	
Regulatory Taxable Income						B1	$ 1,362,028	A
	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate				
Ontario (Max 11.5%)	11.5%	11.5%	$ 156,633	11.5%	B			
Federal (Max 15%)	15.0%	15.0%	$ 204,304	15.0%	C			
Combined effective tax rate (Max 26.5%)							26.50%	D = B + C
Total Income Taxes							**$ 360,937**	E = A * D
Investment Tax Credits							$ -	F
Miscellaneous Tax Credits							$ -	G
Total Tax Credits							**$ -**	H = F + G
Corporate PILs/Income Tax Provision for Bridge Year							**$ 360,937**	I = E - H

Note:

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

Ontario Energy Board
Exhibit 6

Income Tax/PILs Workform for 2027 Filers

Adjusted Taxable Income - Bridge Year

	T2S1 line #	Working Paper Reference	Total for Regulated Utility
Income before PILs/Taxes	(A + 101 + 102)		5,626,750
Additions:			
Interest and penalties on taxes	103		
Amortization of tangible assets	104		6,773,309
Amortization of intangible assets	106		
Recapture of capital cost allowance from Schedule 8	107	B8	0
Income inclusion under subparagraph 13(38)(d)(iii)	108		
Income or loss for tax purposes- joint ventures or partnerships	109		
Loss in equity of subsidiaries and affiliates	110		
Loss on disposal of assets	111		50,000
Charitable donations and gifts from Schedule 2	112		0
Taxable capital gains	113		
Political contributions	114		
Deferred and prepaid expenses	116		
Scientific research expenditures deducted on financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expense	121		30,000
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves deducted in prior year	125	B13	0
Reserves from financial statements- balance at end of year	126	B13	2,769,250
Soft costs on construction and renovation of buildings	127		
Capital items expensed	206		
Debt issue expense	208		
Development expenses claimed in current year	212		
Financing fees deducted in books	216		9,174
Gain on settlement of debt	220		
Non-deductible advertising	226		
Non-deductible interest	227		
Non-deductible legal and accounting fees	228		
Recapture of SR&ED expenditures	231		
Share issue expense	235		
Write down of capital property	236		
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237		
Other Additions			
Interest Expensed on Capital Leases	295		
Realized Income from Deferred Credit Accounts	295		
Pensions	295		
Non-deductible penalties	295		
	295		
	295		
ARO Accretion expense			
Capital Contributions Received (ITA 12(1)(x))			
Lease Inducements Received (ITA 12(1)(x))			
Deferred Revenue (ITA 12(1)(a))			
Prior Year Investment Tax Credits received			

Income Tax/PILs Workform for 2027 Filers

Adjusted Taxable Income - Bridge Year

Total Additions			**9,631,733**
Deductions:			
Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403	B8	11,096,792
Terminal loss from Schedule 8	404	B8	0
Allowable business investment loss	406		
Deferred and prepaid expenses	409		
Scientific research expenses claimed in year	411		
Tax reserves claimed in current year	413	B13	0
Reserves from financial statements - balance at beginning of year	414	B13	2,799,663
Contributions to deferred income plans	416		
Book income of joint venture or partnership	305		
Equity in income from subsidiary or affiliates	306		
Other deductions			
Interest capitalized for accounting deducted for tax	395		
Capital Lease Payments	395		
Non-taxable imputed interest income on deferral and variance accounts	395		
	395		
	395		
ARO Payments - Deductible for Tax when Paid			
ITA 13(7.4) Election - Capital Contributions Received			
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds			
Deferred Revenue - ITA 20(1)(m) reserve			
Principal portion of lease payments			
Lease Inducement Book Amortization credit to income			
Financing fees for tax ITA 20(1)(e) and (e.1)			
Total Deductions		calculated	**13,896,455**
Net Income for Tax Purposes		calculated	**1,362,028**
Charitable donations	311		
Taxable dividends received under section 112 or 113	320		
Non-capital losses of previous tax years from Schedule 4	331	B4	0
Net capital losses of previous tax years from Schedule 4	332	B4	0
Limited partnership losses of previous tax years from Schedule 4	335		
TAXABLE INCOME		calculated	**1,362,028**

Ontario Energy Board

Income Tax/PILs Workform for 2027 Filers

Corporation Loss Continuity and Application

Schedule 4 Loss Carry Forward - Bridge Year

Non-Capital Loss Carry Forward Deduction		Total	
Actual Historical	H4	0	
Amount to be used in Bridge Year	B1	0	
Loss Carry Forward Generated in Bridge Year (if any)	B1	0	
Other Adjustments			
Balance available for use post Bridge Year	calculated	0	T4

Net Capital Loss Carry Forward Deduction		Total	
Actual Historical	H4	0	
Amount to be used in Bridge Year			
Loss Carry Forward Generated in Bridge Year (if any)	B1		
Other Adjustments			
Balance available for use post Bridge Year	calculated	0	T4

Ontario Energy Board

Income Tax/PILs Workform for 2027 Filers

Exhibit

Schedule 8 CCA - Bridge Year

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated capital cost (UCC) at the beginning of the bridge year	(3) Cost of acquisitions during the year (new property must be available for use, except CWIP)	(4) Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negatives)	(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	(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 5 minus column 8)	(11) UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4)	(12) Immediate expensing	(13) Cost of acquisitions on remainder of Class (column 3 minus column 4 plus column 11 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	(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 minus column 9 plus column 6 minus column 13 plus column 14 minus column 7) (if negative, enter "0")	(17) Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 minus column 16) (if negative, enter "0")	Relevant factor[1]	(18) UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 multiplied by the relevant factor)	(19) UCC adjustment for non-AIIP and property included in Classes 54 to 56 (0.5 multiplied by the result of column 13 minus column 14 minus column 6 plus column 7 minus column 8 plus column 9) (if negative, enter "0")	(20) CCA Rate %	(21) Recapture of CCA	(22) Terminal Loss	(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))	(24) UCC at the end of the test year (column 10 minus column 22 minus column 23)	Working Paper Reference
1	Buildings, Distribution System (acq'd post 1987)	H8	$ 13,230,364	26,769							$ 13,257,134			$ 26,769	26,769	$ 13,257,134	$ -	$ 26,769	0.50	$ 13,385	$ -	4%			$ 530,821	$ 12,726,313	T8
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	H8	$ 341,587	0							$ 341,587			$ -		$ 341,587	$ -	$ -		$ -	$ -	6%			$ 20,495	$ 321,092	T8
2	Distribution System (acq'd pre 1988)	H8	$ 443,459								$ 443,459			$ -		$ 443,459	$ -	$ -		$ -	$ -	6%			$ 26,608	$ 416,852	T8
3	Buildings (acq'd pre 1988)	H8	$ 31,510								$ 31,510			$ -		$ 31,510	$ -	$ -		$ -	$ -	5%			$ 1,576	$ 29,935	T8
6	Certain Buildings; Fences	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	10%			$ -	$ -	T8
8	General Office Equipment, Furniture, Fixtures	H8	$ 700,557	524,097							$ 1,224,654			$ 524,097	524,097	$ 1,224,654	$ -	$ 524,097	0.50	$ 262,049	$ -	20%			$ 297,340	$ 927,313	T8
10	Motor Vehicles, Fleet	H8	$ 1,294,690	0							$ 1,294,690			$ -		$ 1,294,690	$ -	$ -		$ -	$ -	30%			$ 388,407	$ 906,283	T8
10.1	Certain Automobiles	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	30%			$ -	$ -	T8
12	Computer Application Software (Non-Systems)	H8	$ -	1,424,586							$ 1,424,586			$ 1,424,586	1,424,586	$ 1,424,586	$ -	$ 1,424,586		$ -	$ -	100%			$ 1,424,586	$ -	T8
13_1	Lease # 1	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	NA			$ -	$ -	T8
13_2	Lease # 2	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	NA			$ -	$ -	T8
13_3	Lease # 3	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	NA			$ -	$ -	T8
13_4	Lease # 4	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	NA			$ -	$ -	T8
14	Limited Period Patents, Franchises, Concessions or Licences	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	NA			$ -	$ -	T8
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017)	H8	$ 35,915								$ 35,915			$ -		$ 35,915	$ -	$ -		$ -	$ -	7%			$ 2,514	$ 33,401	T8
14.1	Eligible Capital Property (acq'd post Jan 1, 2017)	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	5%			$ -	$ -	T8
17	Elec. Generation Equip. (Non-Bldng, acq'd post Feb 27/00); Roads, Lots, Storage	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	8%			$ -	$ -	T8
42	Fibre Optic Cable	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	12%			$ -	$ -	T8
43.1	Certain Clean Energy/Energy-Efficient Generation Equipment	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	30%			$ -	$ -	T8
43.2	Certain Clean Energy/Energy-Efficient Generation Equipment	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	50%			$ -	$ -	T8
45	Computers & System Software (acq'd post Mar 22/04 and pre Mar 19/07)	H8	$ 3								$ 3			$ -		$ 3	$ -	$ -		$ -	$ -	45%			$ 1	$ 2	T8
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	H8	$ 1								$ 1			$ -		$ 1	$ -	$ -		$ -	$ -	30%			$ 0	$ 1	T8
47	Distribution System (acq'd post Feb 22/05)	H8	$ 90,516,809	7,008,323							$ 97,525,132			$ 7,008,323	7,008,323	$ 97,525,132	$ -	$ 7,008,323	0.50	$ 3,504,161	$ -	8%			$ 8,082,343	$ 89,442,789	T8
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	H8	$ 140,012	297,082							$ 437,095			$ 297,082	297,082	$ 437,095	$ -	$ 297,082	0.50	$ 148,541	$ -	55%			$ 322,100	$ 114,995	T8
95	CWIP	H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	0%			$ -	$ -	T8
		H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -	T8
		H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -	T8
		H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -	T8
		H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -	T8
		H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -	T8
		H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -	T8
		H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -	T8
		H8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -	T8
	TOTALS		$ 106,734,910	$ 9,280,858	$ -	$ -	$ -	$ -	$ -	$ -	$ 116,015,768	$ -		$ 9,280,858	$ 9,280,858		$ -	$ 9,280,858		$ 3,928,136	$ -		$ -	$ -	$ 11,096,792	$ 104,918,975	B1

Ontario Energy Board
Exhibit 6

Income Tax/PILs Workform for 2027 Filers

Schedule 13 Tax Reserves - Bridge Year

Continuity of Reserves

Description	Reference	Historical Utility Only	Eliminate Amounts Not Relevant for Bridge Year	Adjusted Utility Balance		Bridge Year Adjustments		Balance for Bridge Year		Change During the Year	Disallowed Expenses
						Additions	Disposals				
Capital gains reserves ss.40(1)	H13	0		0				0	T13	0	
Tax Reserves Not Deducted for Accounting Purposes											
Reserve for doubtful accounts ss. 20(1)(l)	H13	0		0				0	T13	0	
Reserve for goods and services not delivered ss. 20(1)(m)	H13	0		0				0	T13	0	
Reserve for unpaid amounts ss. 20(1)(n)	H13	0		0				0	T13	0	
Debt & share issue expenses ss. 20(1)(e)	H13	0		0				0	T13	0	
Other tax reserves	H13	0		0				0	T13	0	
		0		0				0		0	
		0		0				0		0	
Total		**0**	**0**	**0**	B1	**0**	**0**	**0**	B1	**0**	**0**
Financial statement reserves (not deductible for tax purposes)											
General Reserve for Inventory Obsolescence (non-specific)	H13	0		0				0	T13	0	
General Reserve for Bad Debts	H13	0		0				0	T13	0	
Accrued Employee Future Benefits:	H13	2,799,663		2,799,663		319,187	349,600	2,769,250	T13	-30,413	
- Medical and Life Insurance	H13	0		0				0	T13	0	
- Short & Long-term Disability	H13	0		0				0	T13	0	
- Accumulated Sick Leave	H13	0		0				0	T13	0	
- Termination Cost	H13	0		0				0	T13	0	
- Other Post-Employment Benefits	H13	0		0				0	T13	0	
Provision for Environmental Costs	H13	0		0				0	T13	0	
Restructuring Costs	H13	0		0				0	T13	0	
Accrued Contingent Litigation Costs	H13	0		0				0	T13	0	
Accrued Self-Insurance Costs	H13	0		0				0	T13	0	
Other Contingent Liabilities	H13	0		0				0	T13	0	
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	H13	0		0				0	T13	0	
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	H13	0		0				0	T13	0	
Other	H13	0		0				0	T13	0	
		0		0				0		0	
		0		0				0		0	
Total		**2,799,663**	**0**	**2,799,663**	B1	**319,187**	**349,600**	**2,769,250**	B1	**-30,413**	**0**

Ontario Energy Board
Exhibit 6

Income Tax/PILs Workform for 2027 Filers

PILs Tax Provision - Test Year

					Wires Only	
Regulatory Taxable Income				T1	$ 1,343,480	A

	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate	
Ontario (Max 11.5%)	11.5%	11.5%	$ 154,500	11.5%	**B**
Federal (Max 15%)	15.0%	15.0%	$ 201,522	15.0%	**C**

Combined effective tax rate (Max 26.5%)			26.50%	**D = B + C**	
Total Income Taxes			**$ 356,022**	**E = A * D**	
Investment Tax Credits			$ -	**F**	
Miscellaneous Tax Credits			$ -	**G**	
Total Tax Credits			**$ -**	**H = F + G**	
Corporate PILs/Income Tax Provision for Test Year			**$ 356,022**	**I = E - H**	S. Summary
Corporate PILs/Income Tax Provision Gross Up [1]	73.50%	**J = 1-D**	**$ 128,362**	**K = I/J-I**	
Income Tax (grossed-up)			**$ 484,384**	**L = K + I**	S. Summary

Note:

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

Ontario Energy Board

Income Tax/PILs Workform for 2027 Filers

Taxable Income - Test Year

	T2 S1 line #	Working Paper Reference	Test Year Taxable Income
Net Income Before Taxes		A.	6,195,653
Additions:			
Interest and penalties on taxes	103		
Amortization of tangible assets *2-4 ADJUSTED ACCOUNTING DATA P489*	104		7,271,322
Amortization of intangible assets *2-4 ADJUSTED ACCOUNTING DATA P490*	106		
Recapture of capital cost allowance from Schedule 8	107	T8	0
Income inclusion under subparagraph 13(38)(d)(iii) from Schedule 10	108		
Income or loss for tax purposes- joint ventures or partnerships	109		
Loss in equity of subsidiaries and affiliates	110		
Loss on disposal of assets	111		
Charitable donations	112		0
Taxable Capital Gains	113		
Political Donations	114		
Deferred and prepaid expenses	116		
Scientific research expenditures deducted on financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expense	121		30,000
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves beginning of year	125	T13	0
Reserves from financial statements- balance at end of year	126	T13	2,769,402
Soft costs on construction and renovation of buildings	127		
Book loss on joint ventures or partnerships	205		
Capital items expensed	206		
Debt issue expense	208		
Development expenses claimed in current year	212		
Financing fees deducted in books	216		9,280
Gain on settlement of debt	220		
Non-deductible advertising	226		
Non-deductible interest	227		
Non-deductible legal and accounting fees	228		
Recapture of SR&ED expenditures	231		
Share issue expense	235		
Write down of capital property	236		
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237		
Other Additions			
Interest Expensed on Capital Leases	295		
Realized Income from Deferred Credit Accounts	295		
Pensions	295		
Non-deductible penalties	295		
	295		
	295		
	295		
	295		
ARO Accretion expense			
Capital Contributions Received (ITA 12(1)(x))			
Lease Inducements Received (ITA 12(1)(x))			
Deferred Revenue (ITA 12(1)(a))			
Prior Year Investment Tax Credits received			
CCA Smoothing			346,000

Exhibit 6

Total Additions			**10,426,004**
Deductions:			
Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403	T8	12,508,927
Terminal loss from Schedule 8	404	T8	0
Allowable business investment loss	406		
Deferred and prepaid expenses	409		
Scientific research expenses claimed in year	411		
Tax reserves end of year	413	T13	0
Reserves from financial statements - balance at beginning of year	414	T13	2,769,250
Contributions to deferred income plans	416		
Book income of joint venture or partnership	305		
Equity in income from subsidiary or affiliates	306		
Other deductions			
Interest capitalized for accounting deducted for tax	395		
Capital Lease Payments	395		
Non-taxable imputed interest income on deferral and variance accounts	395		
	395		
	395		
	395		
	395		
	395		
ARO Payments - Deductible for Tax when Paid			
ITA 13(7.4) Election - Capital Contributions Received			
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds			
Deferred Revenue - ITA 20(1)(m) reserve			
Principal portion of lease payments			
Lease Inducement Book Amortization credit to income			
Financing fees for tax ITA 20(1)(e) and (e.1)			
Total Deductions		calculated	**15,278,177**
NET INCOME FOR TAX PURPOSES		calculated	**1,343,480**
Charitable donations	311		
Taxable dividends received under section 112 or 113	320		
Non-capital losses of previous tax years from Schedule 4	331	T4	0
Net capital losses of previous tax years from Schedule 4	332	T4	0
Limited partnership losses of previous tax years from Schedule 4	335		
REGULATORY TAXABLE INCOME		calculated	**1,343,480**

T0

Ontario Energy Board

Income Tax/PILs Workform for 2027 Filers

Schedule 4 Loss Carry Forward - Test Year

Corporation Loss Continuity and Application

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

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

Ontario Energy Board

Income Tax/PILs Workform for 2027 Filers

Exhibit 6

Schedule 8 CCA - Test Year

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated capital cost (UCC) at the beginning of the test year	(3) Cost of acquisitions during the year (new property must be available for use, except CWIP)	(4) Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negatives)	(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	(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 5 minus column 8)	(11) UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4)	(12) Immediate expensing	(13) Cost of acquisitions on remainder of Class (column 3 minus column 4 plus column 11 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	(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 minus column 9 plus column 6 minus column 13 plus column 14 minus column 7) (if negative, enter "0")	(17) Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 minus column 16) (if negative, enter "0")	Relevant factor[1]	(18) UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 multiplied by the relevant factor)	(19) UCC adjustment for non-AIIP and property included in Classes 54 to 56 (0.5 multiplied by the result of column 13 minus column 14 minus column 6 plus column 7 minus column 8 plus column 9) (if negative, enter "0")	(20) CCA Rate %	(21) Recapture of CCA	(22) Terminal Loss	(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))	(24) UCC at the end of the test year (column 10 minus column 22 minus column 23)
1	Buildings, Distribution System (acq'd post 1987)	B8	$ 12,726,313	25,859							$ 12,752,172			$ 25,859	25,859	$ 12,752,172	$ -	$ 25,859	0.50	$ 12,930	$ -	4%			$ 510,604	$ 12,241,568
1b	Non-Residential Buildings [Reg. 1100(1)(a.1) election]	B8	$ 321,092	0							$ 321,092			$ -		$ 321,092	$ -	$ -		$ -	$ -	6%			$ 19,266	$ 301,826
2	Distribution System (acq'd pre 1988)	B8	$ 416,852								$ 416,852			$ -		$ 416,852	$ -	$ -		$ -	$ -	6%			$ 25,011	$ 391,840
3	Buildings (acq'd pre 1988)	B8	$ 29,935								$ 29,935			$ -		$ 29,935	$ -	$ -		$ -	$ -	5%			$ 1,497	$ 28,438
6	Certain Buildings; Fences	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	10%			$ -	$ -
8	General Office Equipment, Furniture, Fixtures	B8	$ 927,313	675,917							$ 1,603,231			$ 675,917	675,917	$ 1,603,231	$ -	$ 675,917	0.50	$ 337,959	$ -	20%			$ 388,238	$ 1,214,993
10	Motor Vehicles, Fleet	B8	$ 906,283	335,500							$ 1,241,783			$ 335,500	335,500	$ 1,241,783	$ -	$ 335,500	0.50	$ 167,750	$ -	30%			$ 422,860	$ 818,923
10.1	Certain Automobiles	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	30%			$ -	$ -
12	Computer Application Software (Non-Systems)	B8	$ -	1,194,965							$ 1,194,965			$ 1,194,965	1,194,965	$ 1,194,965	$ -	$ 1,194,965		$ -	$ -	100%			$ 1,194,965	$ -
13 ₁	Lease # 1	B8	$ -	2,248,079							$ 2,248,079			$ 2,248,079	2,248,079	$ 2,248,079	$ -	$ 2,248,079		$ -	$ -	NA			$ 374,681	$ 1,873,399
13 ₂	Lease # 2	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	NA			$ -	$ -
13 ₃	Lease # 3	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	NA			$ -	$ -
13 ₄	Lease # 4	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	NA			$ -	$ -
14	Limited Period Patents, Franchises, Concessions or Licences	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	NA			$ -	$ -
14.1	Eligible Capital Property (acq'd pre Jan 1, 2017)	B8	$ 33,401								$ 33,401			$ -		$ 33,401	$ -	$ -		$ -	$ -	7%			$ 2,338	$ 31,063
14.1	Eligible Capital Property (acq'd post Jan 1, 2017)	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	5%			$ -	$ -
17	Elec. Generation Equip. (Non-Bldng, acq'd post Feb 27/00); Roads, Lots, Storage	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	8%			$ -	$ -
42	Fibre Optic Cable	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	12%			$ -	$ -
43.1	Certain Clean Energy/Energy-Efficient Generation Equipment	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	30%			$ -	$ -
43.2	Certain Clean Energy/Energy-Efficient Generation Equipment	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	50%			$ -	$ -
45	Computers & System Software (acq'd post Mar 22/04 and pre Mar 19/07)	B8	$ 2								$ 2			$ -		$ 2	$ -	$ -		$ -	$ -	45%			$ 1	$ 1
46	Data Network Infrastructure Equipment (acq'd post Mar 22/04)	B8	$ 1	0							$ 1			$ -		$ 1	$ -	$ -		$ -	$ -	30%			$ 0	$ 1
47	Distribution System (acq'd post Feb 22/05)	B8	$ 89,442,789	14,765,058							$ 104,207,846			$ 14,765,058	14,765,058	$ 104,207,846	$ -	$ 14,765,058	0.50	$ 7,382,529	$ -	8%			$ 8,927,230	$ 95,280,616
50	General Purpose Computer Hardware & Software (acq'd post Mar 18/07)	B8	$ 114,995	701,805							$ 816,800			$ 701,805	701,805	$ 816,800	$ -	$ 701,805	0.50	$ 350,903	$ -	55%			$ 642,237	$ 174,564
95	CWIP	B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -	0%			$ -	$ -
		B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -
		B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -
		B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -
		B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -
		B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -
		B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -
		B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -
		B8	$ -								$ -			$ -		$ -	$ -	$ -		$ -	$ -				$ -	$ -
	TOTALS		$ 104,918,975	$ 19,947,184	$ -	$ -	$ -	$ -	$ -	$ -	$ 124,866,159	$ -	$ -	$ 19,947,184	$ 19,947,184	$ 124,866,159	$ -	$ 19,947,184		$ 8,252,070	$ -		$ -	$ -	$ 12,508,927	T1

For additional details and guidance on calculating amounts in Schedule 8, refer to the notes to the Canada Revenue Agency published Schedule 8 - Capital Cost Allowance (CCA) (2018 and later tax years):
https://www.canada.ca/content/dam/cra-arc/formspubs/pbg/t2sch8/t2sch8-19e.pdf

1. Please note that Subsection 1100(2) of the Income Tax Regulations provide undepreciated capital cost adjustment factors of eligible zero-emission vehicles and equipment under Class 53, Class 54, Class 55 and Class 56, please assess the applicability of these adjustments and incorporate them in the PILs model as applicable.

Ontario Energy Board
Exhibit 6

Income Tax/PILs Workform for 2027 Filers

Schedule 13 Tax Reserves - Test Year

Continuity of Reserves

Description	Working Paper Reference	Bridge Year	Eliminate Amounts Not Relevant for Test Year	Adjusted Utility Balance		Test Year Adjustments: Additions	Test Year Adjustments: Disposals	Balance for Test Year		Change During the Year	Disallowed Expenses
Capital Gains Reserves ss.40(1)	B13	0		0				0		0	
Tax Reserves Not Deducted for accounting purposes											
Reserve for doubtful accounts ss. 20(1)(l)	B13	0		0				0		0	
Reserve for goods and services not delivered ss. 20(1)(m)	B13	0		0				0		0	
Reserve for unpaid amounts ss. 20(1)(n)	B13	0		0				0		0	
Debt & Share Issue Expenses ss. 20(1)(e)	B13	0		0				0		0	
Other tax reserves	B13	0		0				0		0	
		0		0				0		0	
		0		0				0		0	
Total		**0**	**0**	**0**	T1	**0**	**0**	**0**	T1	**0**	**0**
Financial Statement Reserves (not deductible for Tax Purposes)											
General Reserve for Inventory Obsolescence (non-specific)	B13	0		0				0		0	
General reserve for bad debts	B13	0		0				0		0	
Accrued Employee Future Benefits:	B13	2,769,250		2,769,250		348,352	348,200	2,769,402		152	
- Medical and Life Insurance	B13	0		0				0		0	
-Short & Long-term Disability	B13	0		0				0		0	
-Accmulated Sick Leave	B13	0		0				0		0	
- Termination Cost	B13	0		0				0		0	
- Other Post-Employment Benefits	B13	0		0				0		0	
Provision for Environmental Costs	B13	0		0				0		0	
Restructuring Costs	B13	0		0				0		0	
Accrued Contingent Litigation Costs	B13	0		0				0		0	
Accrued Self-Insurance Costs	B13	0		0				0		0	
Other Contingent Liabilities	B13	0		0				0		0	
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	B13	0		0				0		0	
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	B13	0		0				0		0	
Other	B13	0		0				0		0	
		0		0				0		0	
		0		0				0		0	
Total		**2,769,250**	**0**	**2,769,250**	T1	**348,352**	**348,200**	**2,769,402**	T1	**152**	**0**

CANADIAN NIAGARA POWER INC.
A FORTIS ONTARIO Company

ATTACHMENT 6-C:
2025 DRAFT CORPORATE TAX RETURN

Canada Revenue Agency Agence du revenu du Canada
Exhibit 6

T2 Corporation Income Tax Return

200

055 **Do not use this area**

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

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

Send one completed copy of this return, including schedules and the General Index of Financial Information (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

Identification

Business number (BN) **001** 87249 8225 RC0002

Corporation's name
002 Canadian Niagara Power 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 1130 Bertie Street
012
City **015** Fort Erie
Province, territory, or state **016** ON
Country (other than Canada) **017**
Postal or ZIP code **018** L2A 5Y2

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 1130 Bertie Street
023 P.O. Box 1218
City **025** Fort Erie
Province, territory, or state **026** ON
Country (other than Canada) **027**
Postal or ZIP code **028** L2A 5Y2

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

040 **Type of corporation at the end of the tax year** (tick one)
- [ ] 1 Canadian-controlled private corporation (CCPC)
- [ ] 2 Other private corporation
- [ ] 3 Public corporation
- [X] 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)		Tax year-end (Year Month Day)
060	2025-01-01	**061**	2025-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? . . . . **063** Yes [ ] No [X]

If **yes**, provide the date control was acquired . . . . **065** Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? . . . . **066** Yes [ ] No [X]

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

Is this the first year of filing after:
Incorporation? . . . . **070** Yes [ ] No [X]
Amalgamation? . . . . **071** Yes [ ] No [X]
If **yes**, complete lines 030 to 038 and attach Schedule 24.

Has there been a wind-up of a subsidiary under section 88 during the current tax year? . . . . **072** Yes [ ] No [X]
If **yes**, complete and attach Schedule 24.

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

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

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

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

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

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

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

Attachments

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

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

Attachments (continued)

		Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$100,000?	259		T1135
Did the corporation transfer or loan property to a non-resident trust?	260		T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261		T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262		T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263		T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264		T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265		55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266		T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267		T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268		53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	269		54
Is the corporation claiming a return of fuel charge proceeds to farmers tax credit?	273		63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	274		59
Is the corporation claiming an air quality improvement tax credit?	275		65
Is the corporation subject to the additional 1.5% tax on banks and life insurers?	276		68
Is the corporation a covered entity that redeemed, acquired or cancelled equity of the corporation in the tax year?	277		56
Is the corporation subject to the excessive interest and financing expenses limitation (EIFEL) rules contained primarily in sections 18.2 and 18.21, or is it a party to any election under the EIFEL rules?	278	X	130

Additional information

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

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

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

284	Electrical Energy Distribution and Transmission	285	100.000 %
286		287	%
288		289	%

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

If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible 294 Year Month Day

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

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI			300	467,289	A
Deduct:					
Charitable donations from Schedule 2	311	708			
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		708	▶	708	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")				466,581	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions			355		D
Taxable income (amount C **plus** amount D)			360	466,581	

* 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:

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

Business limit reduction

Taxable capital business limit reduction

Amount C ________ x **415** *** ________ D / 90,000 = ... ________ E

Passive income business limit reduction

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

Amount C ________ x Amount F ________ / 100,000 = ... ________ G

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 **490**	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L [3] **500**	N Business limit assigned to corporation identified in column L [4] **505**
1.				
			Total **510**	Total **515**

Notes:

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

General tax reduction for Canadian-controlled private corporations

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

Taxable income from line 360 on page 3			A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		B	
Amount 13K from Part 13 of Schedule 27		C	
Personal services business income **432**		D	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least*		E	
Aggregate investment income from line 440 on page 6**		F	
Subtotal (**add** amounts B to F)		►	G
Amount A **minus** amount G (if negative, enter "0")			H
General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 %			I

Enter amount I on line 638 on page 8.

* This is not applicable to substantive CCPCs.

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

General tax reduction

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

Taxable income from line 360 on page 3		466,581	J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		K	
Amount 13K from Part 13 of Schedule 27		L	
Personal services business income **434**		M	
Subtotal (**add** amounts K to M)	►		N
Amount J **minus** amount N (if negative, enter "0")		466,581	O
General tax reduction – Amount O **multiplied** by 13 %		60,656	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)		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	177,301	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)		177,301	K

Deduct:

Small business deduction from line 430 on page 4			L
Federal tax abatement	608	46,658	
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	60,656	
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		107,314 ▶ 107,314	M

Part I tax payable – Amount K **minus** amount M	69,987	N

Enter amount N on line 700 on page 9.

* This is not applicable to substantive CCPCs.

Privacy notice

Personal information (including the SIN) is collected and used to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be disclosed to other federal, provincial, territorial, aboriginal or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, and to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at **canada.ca/cra-info-source**.

Summary of tax and credits

Federal tax

Part I tax payable from amount N on page 8	700	69,987
Part II.2 tax payable from Schedule 56	705	
Part III.1 tax payable from Schedule 55	710	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part VI.2 tax payable from Schedule 67	725	
Part XII.7 tax payable from Schedule 78	726	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		69,987

Add provincial or territorial tax:

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

Net provincial or territorial tax payable (except Quebec and Alberta)	760	154,321
Total tax payable	770	224,308 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount JJ on page 7	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Return of fuel charge proceeds to farmers tax credit from Schedule 63	795	
Canadian film or video production tax credit (Form T1131)	796	
Film or video production services tax credit (Form T1177)	797	
Canadian journalism labour tax credit from Schedule 58	798	
Air quality improvement tax credit from Schedule 65	799	
Tax withheld at source	800	
Total payments on which tax has been withheld	801	
Provincial and territorial capital gains refund from Schedule 18	808	
Provincial and territorial refundable tax credits from Schedule 5	812	
Tax instalments paid	840	238,000
Total credits	890	238,000 ▶ 238,000 B

Balance (amount A **minus** amount B) -13,692

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

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

Refund code **894** 1 Refund 13,692 Balance owing

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

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

If this return was prepared by a tax preparer for a fee, provide their: EFILE number **920** RepID **925**

Certification

I, **950** FECTEAU (Last name) **951** DUANE (First name) **954** Vice President Finance & CFO (Position, office, or rank),
am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2026-05-08 — Date (yyyy/mm/dd) — Signature of the authorized signing officer of the corporation — **956** (905) 871-0330 Telephone number

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

958 Tara Carll (Name of other authorized person) **959** (905) 871-0330 (Telephone number)

Language of correspondence – Langue de correspondance

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

Schedule of Instalment Remittances

Name of corporation contact: Tara Carll
Telephone number: (905) 871-0330

Effective interest date	Description (instalment remittance, split payment, assessed credit)	Amount of credit
2025-01-07	INSTALLMENT REMITTANCE	52,000
2025-02-27	INSTALLMENT REMITTANCE	52,000
2025-03-28	INSTALLMENT REMITTANCE	14,000
2025-04-29	INSTALLMENT REMITTANCE	14,000
2025-05-29	INSTALLMENT REMITTANCE	14,000
2025-06-27	INSTALLMENT REMITTANCE	14,000
2025-07-30	INSTALLMENT REMITTANCE	14,000
2025-08-28	INSTALLMENT REMITTANCE	14,000
2025-09-26	INSTALLMENT REMITTANCE	14,000
2025-10-30	INSTALLMENT REMITTANCE	14,000
2025-11-27	INSTALLMENT REMITTANCE	14,000
2025-12-29	INSTALLMENT REMITTANCE	8,000
	INSTALLMENT REMITTANCE	
	Total amount of instalments claimed (carry the result to line 840 of the T2 Return)	238,000 **A**
	Total instalments credited to the taxation year per T9	238,000 **B**

Transfer

	Account number	Taxation year end	Amount	Effective interest date	Description
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					

Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 100

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

Balance sheet information

Account	Description	GIFI		Current year	Prior year
	Assets				
	Total current assets	1599	+	32,581,355	31,187,045
	Total tangible capital assets	2008	+	306,603,311	293,120,824
	Total accumulated amortization of tangible capital assets	2009	–	106,152,857	100,914,305
	Total intangible capital assets	2178	+	34,850,334	33,528,348
	Total accumulated amortization of intangible capital assets	2179	–	19,608,462	18,434,246
	Total long-term assets	2589	+	5,615,280	5,468,898
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	253,888,961	243,956,564
	Liabilities				
	Total current liabilities	3139	+	57,195,666	53,115,776
	Total long-term liabilities	3450	+	124,001,909	120,608,552
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	181,197,575	173,724,328
	Shareholder equity				
	Total shareholder equity (mandatory field)	3620	+	72,691,386	70,232,236
	Total liabilities and shareholder equity	3640	=	253,888,961	243,956,564
	Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849	=	48,791,386	46,332,236

* Generic item

Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 125

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

Income statement information

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

Account	Description	GIFI		Current year	Prior year
	Income statement information				
	Total sales of goods and services	8089	+	95,484,767	95,061,723
	Cost of sales	8518	–	74,635,296	74,996,877
	Gross profit/loss	8519	=	20,849,471	20,064,846
	Cost of sales	8518	+	74,635,296	74,996,877
	Total operating expenses	9367	+	15,164,016	14,967,753
	Total expenses (mandatory field)	9368	=	89,799,312	89,964,630
	Total revenue (mandatory field)	8299	+	95,514,899	94,896,456
	Total expenses (mandatory field)	9368	–	89,799,312	89,964,630
	Net non-farming income	9369	=	5,715,587	4,931,826
	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	=	5,715,587	4,931,826
	Total – other comprehensive income	9998	=		
	Extraordinary items and income (linked to Schedule 140)				
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		
	Unusual items	9985	–		
	Current income taxes	9990	–	120,279	271,434
	Future (deferred) income tax provision	9995	–	136,158	47,389
	Total – Other comprehensive income	9998	+		
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	5,459,150	4,613,003

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Schedule 141

General Index of Financial Information (GIFI) – Additional Information

Corporation's name	Business number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

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

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

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

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

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

Is that person connected** with the corporation? . . . **097** Yes [X] 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** Employee of FortisOntario Inc. completed the financial statements and T2. External auditor completed an auditors report.

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 [X] No [ ]

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

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

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

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

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

Part 4 – Other information (continued)

Impairment and fair value changes

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year? . . . . . **200** Yes ☐ No ☐

If **yes**, enter the amount recognized:

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

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)? . . . . . **250** Yes ☐ No ☒

Did the corporation apply hedge accounting during the tax year? . . . . . **255** Yes ☐ No ☒

Did the corporation discontinue hedge accounting during the tax year? . . . . . **260** Yes ☐ No ☒

Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year? . . . . . **265** Yes ☐ No ☒

If **yes**, you have to maintain a separate reconciliation.

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

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

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

The client provided the financial statements . . . . . **311** ☐

The client provided a trial balance . . . . . **312** ☐

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

Other (please specify) **314**

General Index of Financial Information

Notes to the financial statements

1. Basis of accounting and summary of significant accounting policies

Incorporation

Canadian Niagara Power Inc. (the "Corporation" or "CNPI"), formerly Canadian Niagara Power Company, Limited, is a wholly owned subsidiary of FortisOntario Inc. (the "parent company") that was incorporated on February 17, 1999 to comply with the Electricity Act, 1998 (Ontario) (the "Act"). The Act requires that the electric power transmission and distribution businesses, previously carried out by the parent company, be carried out by a separate legal entity. Effective March 31, 1999, the Corporation purchased the electric power transmission and distribution assets of its parent company and commenced operations. On January 1, 2004, the Corporation was amalgamated with Eastern Ontario Power Inc. and continued as Canadian Niagara Power Inc. The business of the Corporation is the transmission and distribution of electricity to customers within Ontario. The business is regulated by the Ontario Energy Board ("OEB").

These financial statements include the operating results of the Niagara and Eastern Ontario Power (Gananoque) distribution centers and the Niagara transmission center.(a) Basis of accounting

These financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE"), as per Part II of the CPA Handbook - Accounting, which constitutes generally accepted accounting principles for non publicly accountable enterprises in Canada.

(b) Significant accounting policies

Regulation

CNPI distribution

The distribution rates of CNPI are based upon Cost of Service ("CoS") rate regulation by the OEB. Earnings are regulated on the basis of a rate of return on rate base plus a recovery of all allowable distribution costs.

On August 17, 2023, CNPI filed an application with the OEB seeking approval to change electricity distribution rates, effective January 1, 2024, based on Fourth Generation Incentive Rate Mechanism ("4GIRM"). A revised Decision and Order was issued December 15, 2023, that approved the net price cap index adjustment for CNPI of 4.35% (Inflation factor net of a productivity and stretch factor 4.80% (0% + 0.45%)). The 4.35% adjustment will be applied to distribution rates (fixed and variable charges) uniformly across all customer classes. The Decision and Order also approved CNPI requests to recover $977 in 2022 extraordinary event costs related to a severe storm (Z-Factor) as well as $47 related to Lost Revenue Adjustment Mechanism.

On August 15, 2024, CNPI filed an application with the OEB seeking approval to change electricity distribution rates, effective January 1, 2025, based on 4GIRM. A Decision and Order was issued December 12, 2024, that approved the net price cap index adjustment for CNPI of 3.15% (Inflation factor net of a productivity and stretch factor 3.60% - (0% + 0.45%)). The 3.15% adjustment will be applied to distribution rates (fixed and variable charges) uniformly across all customer classes.

On August 14, 2025, CNPI filed an application with the OEB seeking approval to change electricity distribution rates, effective January 1, 2026, based on 4GIRM. A Decision and Order was issued December 18, 2025, that approved the net price cap index adjustment for CNPI of 3.25% (Inflation factor net of a productivity and stretch factor 3.70% - (0% + 0.45%)). The 3.25% adjustment will be applied to distribution rates (fixed and variable charges) uniformly across all customer classes.

1. Basis of accounting and summary of significant accounting policies (continued)(b) Significant accounting policies (continued)

Regulation (continued)

CNPI transmission

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Notes to the financial statements

The transmission rates of CNPI are based upon CoS rate regulation by the OEB. Earnings are regulated on the basis of a rate of return on rate base plus a recovery of all allowable transmission costs.
On November 17, 2014, CNPI submitted a Revenue Requirement Application for its Transmission business. The Application sought approval of CNPI's 2015 and 2016 Transmission Revenue Requirement.
On June 25, 2015, the OEB issued its Decision and Order. The Decision and Order approved final revenue requirements of $4,246 and $4,647 for 2015 and 2016 respectively, and provided a 9.3% Return on Equity ("ROE") with a 60%/40% debt equity structure.
The provincial Uniform Transmission Rates ("UTR") for the 2017-2025 rate years continued to include CNPI's approved 2016 revenue requirement of $4.6 million. A Decision and Order was issued January 18, 2024, relating to CNPI's 2024 transmission revenue requirement which remains unchanged from CNPI's approved 2016 revenue requirement of $4.6 million. A Decision and Order was issued January 21, 2025, relating to CNPI's 2025 transmission revenue requirement which remains unchanged from CNPI's approved 2016 revenue requirement of $4.6 million. CNPI filed a letter with the OEB on July 28, 2025, confirming it would not be seeking any updates to its transmission revenue requirement for 2026 rates. A letter was issued October 9, 2025, setting 2026 preliminary UTR including CNPI's 2026 transmission revenue requirement which remains unchanged from CNPI's approved 2016 revenue requirement of $4.6 million.Materials and supplies
Materials and supplies are recorded at average cost. Materials and supplies expensed to operating expenses in 2025 were $118 ($157 in 2024).
Utility capital assets and capitalization policy
Nature of distribution and transmission assets
Distribution assets
Distribution assets are those used to distribute electricity at lower voltages (generally below 50 kilovolts). These assets include poles, towers and fixtures, low voltage wires, transformers, overhead and underground conductors, street lighting, meters, metering equipment and other related equipment.Transmission assets
Transmission assets are those used to transmit electricity at higher voltages (generally at 50 kilovolts and above). These assets include poles, wires and conductors, substations, support structures and other related equipment.
1. Basis of accounting and summary of significant accounting policies (continued)(b) Significant accounting policies (continued)
Service life range and average remaining service life of utility capital assetsThe service life range and average remaining service life of the utility
capital assets are as follows:

	Service life range (years)	Average remaining service life (years)
Distribution	10 to 50	34.3
Transmission	20 to 50	31.7
Other	5 to 50	8.6

Utility capital assets are stated at cost less accumulated amortization. Amortization is provided over the estimated useful lives of the utility capital assets using the straight-line method at a composite rate of 2.3% (2.3% in 2024).
Contributions in aid of construction represent funding of utility capital assets contributed by customers. These accounts are being reduced annually by an amount equal to the charge for amortization provided on the contributed portion of the utility capital assets involved.Capitalization policy
The Corporation's capitalization policy is in accordance with the OEB's

General Index of Financial Information

Notes to the financial statements

requirements to use a "modified IFRS" accounting basis to allow for more consistency amongst electricity distribution utilities in Ontario and this includes having asset useful lives that align with guidelines, and certain directly attributable costs that are capitalized while general overhead costs are not.Intangible assets

Intangible assets are stated at cost less accumulated amortization. Amortization is provided over the estimated useful lives of the intangible assets using the straight-line method.

The service life range and average remaining service life of the intangible assets are as follows:

	Service life range (years)	Average remaining service life (years)
Software costs	5 to 10	4.3
Land and transmission rights	40	17.7
Other	40 to 45	28.4

Goodwill

Goodwill represents the excess of the acquisition cost of the shares of the Corporation, and Eastern Ontario Power Inc. (amalgamated with the Corporation on January 1, 2004) over the assigned value of identifiable net assets acquired, as well as the excess of the purchase price of the remaining utility capital assets of Port Colborne Hydro Inc. ("PCHI") over the fair value of these assets.

1. Basis of accounting and summary of significant accounting policies (continued)(b) Significant accounting policies (continued)

Goodwill (continued)

ASPE requires that goodwill shall be tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the reporting unit to which the goodwill is assigned may exceed the fair value of the reporting unit. Any impairment in value is charged to earnings during the year.Revenue recognition

Revenue from the sale, transmission and distribution of electricity is recognized on the accrual basis. Electricity is metered upon delivery to customers and is recognized as revenue using approved rates when consumed. Meters are read periodically and bills are issued to customers based on these readings. At the end of the year a certain amount of consumed electricity will not have been billed. Electricity that is consumed but not yet billed to the customers is estimated and accrued as revenue in the current year. Unbilled revenue included in accounts receivable as at December 31, 2025, is $6,553
($7,256 in 2024). Other revenue is recognized when services are provided and the customer takes ownership and assumes risk of loss in accordance with customer contracts, collection of the related receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable. Amounts received for future services are deferred until the service is provided.Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the balance sheet date. Gains and losses on translation are included in the statement of earnings and retained earnings. Revenue and expenses are translated at the exchange rate prevailing on the transaction date.

Employee benefit plans

The cost of the Corporation's defined benefit pension plans is determined periodically by independent actuaries. The Corporation has chosen an accounting policy to measure its defined benefit plan obligations using the funding valuation approach. This approach uses the most recent completed actuarial valuations prepared for funding purposes as the basis of measuring defined benefit plan obligations. As well, the Corporation is using a

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Notes to the financial statements

roll-forward technique in the years between valuations to estimate the defined benefit plan obligations. Pension plan assets are valued at fair value as at the balance sheet date.

In 2013, the Corporation made an application to the OEB to allow recognition of regulatory assets related to unamortized amounts, and restatement of prior years' pension and other retirement benefit expenses, that would otherwise be collected from customers through rates in subsequent years. In December 2013, the OEB issued a Decision and Order approving the establishment of specific deferral accounts to recognize these amounts as long-term regulatory assets, which will be disposed of in future CoS proceedings, subject to the OEB's prudence review at that time. As well, the Corporation reversed previously recognized future income tax liabilities related to the changes in the pension and other retirement benefit liabilities as of January 1, 2014. The Corporation recognized offsetting regulatory liabilities related to the future income taxes expected to be recovered from customers in future electricity rates as of January 1, 2014.

The Corporation made an application to the OEB to continue to account for pension and other retirement benefits under the former Section 3461.

1. Basis of accounting and summary of significant accounting policies (continued)(b) Significant accounting policies (continued)

Employee benefit plans (continued)

In December 2013, the OEB issued a Decision and Order approving the establishment of specific variance accounts as of January 1, 2013, to recognize the difference in expense between Sections 3461 and 3462 as long-term regulatory assets or liabilities for 2013 and future years, which will be disposed of in future CoS proceedings, subject to the OEB's prudence review at that time.Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when the Corporation becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost.

Transaction costs related to financial instruments measured subsequent to initial recognition at fair value are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, the Corporation recognizes an impairment loss, if any, in net earnings when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net earnings in the period the reversal occurs.Income taxes

The Corporation follows the future income taxes method of accounting for income taxes. Under this method, future tax assets and liabilities are recognized for the temporary differences between the tax and accounting bases of assets and liabilities. Future tax assets and liabilities are measured using the enacted and substantively enacted tax rates and laws expected to apply to taxable income in the period in which the temporary differences are expected to be recovered or settled. The Corporation recognizes regulatory assets related to future income tax liabilities in the amount of future

General Index of Financial Information

Notes to the financial statements

income taxes expected to be recovered from customers in future electricity rates.Use of estimates

The preparation of financial statements in conformity with ASPE 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 period. Unbilled revenue, valuation of pension and post-retirement obligations, amortization, and income taxes are specific areas where the use of estimates and assumptions are significant. Actual results may vary from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.

2. Utility capital assets

Utility capital assets consist of the following:

The amounts above include assets under construction of $6,939 ($12,597 in 2024) which are not subject to amortization.3. Intangible assets

Intangible assets consist of the following:

4. Employee future benefits

The Corporation is a participating employer with its parent company in a defined benefit pension plan and a defined benefit plan providing other retirement benefits. The Corporation also maintains a defined contribution pension plan providing pension benefits and makes contributions to the Ontario Municipal Employees' Retirement Plan ("OMERS") plan on behalf of some of its employees. OMERS is a multi-employer defined benefit pension plan providing pension benefits and is accounted for as a defined contribution pension plan.

Information about the Corporation's defined benefit plans is as follows:

The measurement date for the plan assets and the accrued benefit obligation was as at December 31, 2025. The effective date of the most recent actuarial valuation was as at December 31, 2022, and the date of the next required valuation for funding purposes is as at December 31, 2025, and will be completed by September 2026. The measurement date for other retirement plans was as at December 31, 2025. The effective date of the most recent actuarial valuation was as at December 31, 2024.

The defined benefit pension plan assets held at the measurement date are represented by the following categories:

4. Employee future benefits (continued)

The total expense for the Corporation's defined contribution pension plan for the year amounted to $462 ($455 in 2024). The pension cost associated with the OMERS plan was $98 ($96 in 2024).5. Income taxes

The following is a reconciliation of the combined statutory income tax rate to the effective income tax rate:

The provision for income taxes consists of the following:

5. Income taxes (continued)

Future income taxes are provided for temporary differences. Net future tax liabilities consist of the following:

6. Related party transactions

During the year, the Corporation entered into the following transactions with related parties:

These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and

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Notes to the financial statements

agreed to by the related parties.6. Related party transactions (continued)
As at December 31, the amounts due from (to) related parties are as follows:

Details of relationships with related parties are as follows:
. Fortis Inc. owns a 100% interest in the capital stock of FortisOntario Inc.. FortisOntario Inc. owns a 100% interest in the capital stock of the Corporation
. Cornwall Street Railway, Light and Power Company Limited is a wholly owned subsidiary of FortisOntario Inc.
. Algoma Power Inc. is a wholly owned subsidiary of FortisOntario Inc.
. CH Energy Group Inc. is a wholly-owned subsidiary of Fortis Inc.
7. Long-term debt
Long-term debt consists of the following:

The senior unsecured notes bear interest at 4.102% and are repayable at maturity on
August 14, 2048. Interest expense on long-term debt for the year was $3,077 ($3,077 in 2024). The Corporation incurred debt issue costs in 2018 of $316 that are being amortized over the term of the loan. As at December 31, 2025, the accumulated amortization amounted to $78 ($67 in 2024).
7. Long-term debt (continued)
The Corporation's long-term debt obligations and credit facility agreements have covenants that restrict the issuance of additional debt such that debt cannot exceed 75% of their capital structures as defined in the agreements. As at December 31, 2025, the Corporation was in compliance with its debt covenants (in compliance in 2024).8. Capital stock
The authorized and issued capital stock consists of 23,900,001 common shares without par value.9. Amortization
Amortization consists of the following:

Vehicle amortization is allocated to utility capital assets and operating expenses on a labour distribution basis.10. Statement of cash flows
The net change in non-cash working capital balances related to operations consists of the following:
10. Statement of cash flows (continued)
Supplemental cash flow information:

11. Financial risk management
The Corporation is primarily exposed to credit risk, liquidity risk and market risk as a result of holding financial instruments in the normal course of business.
Credit risk - Risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument.
Liquidity risk - Risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments.
Market risk and interest rate risk - Risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices.Credit risk
For cash, trade and other accounts receivable due from customers, the Corporation's credit risk is limited to the carrying value on the balance sheet.
The Corporation is exposed to credit risk from its distribution customers but has various policies to minimize this risk. These policies include requiring customer deposits, performing disconnections and using third party collection agencies for overdue accounts. The Corporation has a large and diversified distribution customer base, which minimizes the concentration of this risk.

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The aging of the Corporation's trade and other receivables due from customers is as follows:

11. Financial risk management (continued)

Liquidity risk

Liquidity risk to the Corporation is minimized. Financing of regulated capital and other expenditures is done through internally generated funds. These funds are a result of allowable rate regulated returns and recoveries under the OEB rate regulation mechanism.

The Corporation's parent company is wholly owned by Fortis Inc., a large investor owned utility that has had the ability to raise sufficient and cost-effective financing. However, the ability to arrange financing on a go forward basis is subject to numerous factors including the results of operations and financial position of Fortis Inc. and its subsidiaries, conditions in the capital and bank credit markets, ratings assigned by rating agencies and general economic conditions.

To mitigate any liquidity risk, the Corporation is a party to a committed revolving credit facilities and letters of credit facilities totaling $65,000 ($65,000 in 2024), of which $50,700 ($50,700 in 2024) was unused. The revolving credit facilities and letters of credit facilities are renewed on an annual basis. Loans payable are renewed on a rolling one month period from time to time as needed by the Corporation. This credit agreement is shared among the subsidiaries of FortisOntario Inc. and is renewed on an annual basis.

The following summary outlines the credit facilities among the subsidiaries of FortisOntario Inc:

The facility is guaranteed by the parent company and the revolving credit facilities bear interest at the bankers' acceptance rate plus 1.00% in the case of bankers' acceptances, and at the bank's prime lending rate plus 0.20% in the case of bank loans.

The following is an analysis of the contractual maturities of the Corporation's financial liabilities as at December 31:

11. Financial risk management (continued)

Liquidity risk (continued)

The long-term debt above is presented at gross of any deferred financing costs (see Note 7).Market risk

Interest rate risk

Long-term debt is at fixed interest rates thereby minimizing cash flow and interest rate fluctuation exposure. The Corporation is primarily subject to risks associated with fluctuating interest rates on its short-term borrowings. As of December 31, 2025, the Corporation's short-term borrowings are nil (nil in 2024).12. Capital management

The Corporation manages its capital to approximate the deemed capital structure reflected in the utility's customer rates. Effective January 1, 2022, the distribution rates are based on a deemed capital structure of 60% debt and 40% equity. The Corporation's capital structure consists of third party debt, affiliated debt and common equity but excludes unamortized debt issue costs.The managed capital is as follows:

13. Regulatory assets and liabilities

Regulatory assets and liabilities arise as a result of regulatory requirements.

The Corporation pays the cost of power on behalf of its customers and recovers these costs through retail billings to its customers. The cost of power includes charges for transmission, wholesale market operations and the power itself from Ontario's Independent Electricity

General Index of Financial Information

Notes to the financial statements

System Operator. The balance of the retail settlement variance account represent the costs that have not been recovered from, or settled through, customers as of the balance sheet date. The OEB's Distribution Rate Handbook and Accounting Procedures Handbook allow these costs to be deferred and recovered through future rate adjustments, as discussed in Note 1. In the absence of rate regulation, these costs would be expensed in the period that they are incurred.13. Regulatory assets and liabilities (continued)

The OEB has the general power to include or exclude costs, revenues, gains or losses in the rates of a specific period, resulting in the timing of revenue and expense recognition that may differ in the Corporation's regulated operations from those otherwise expected in non-regulated businesses. This change in timing gives rise to the recognition of regulatory assets and liabilities. The Corporation continually assesses the likelihood of recovery of its regulatory assets and believes that its regulatory assets and liabilities will be factored into the setting of future rates as discussed in Note 1. If future recovery through rates is no longer considered probable, the appropriate carrying amount will be written off in the period that the assessment is made.

In 2019, the OEB directed all regulated utilities to recognize a regulatory liability for any
cash tax savings related to the new accelerated capital cost allowance rules enacted by the federal government in late 2018. As at December 31, 2021, the Corporation is no longer required to track variances related to accelerated capital cost allowance for its distribution business unit as approved in the Decision and Order issued for CNPI's 2022 CoS. In the Decision and Order for CNPI's 2022 CoS, the OEB approved the disposition over a period of one year for the accumulated tax savings related to the new accelerated capital cost allowance rules. CNPI's transmission business unit continues to track variances related to accelerated capital cost allowance.

Regulatory assets and liabilities are generally not subject to a regulatory return; however, the balances include an accrual for interest recovery/payable as permitted by the regulators. The purpose of the following table is to provide reconciliation between the regulatory assets and liabilities and the remaining rebate period:

14. Segmented information

(a) Earnings

(b) Utility capital assets

Exhibit 6

SCHEDULE 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 100

Name of corporation	Business Number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

Assets – lines 1000 to 2599

1000	3,750,430	1060	14,299,179	1066	14,053
1120	281,450	1480	13,473,609	1484	762,634
1599	32,581,355	1600	435,563	1740	306,167,748
1741	-106,152,857	2008	306,603,311	2009	-106,152,857
2010	27,617,844	2011	-19,608,462	2012	7,232,490
2178	34,850,334	2179	-19,608,462	2422	5,378,738
2424	236,542	2589	5,615,280	2599	253,888,961

Liabilities – lines 2600 to 3499

2620	11,859,426	2860	45,215,821	2961	120,419
3139	57,195,666	3140	76,433,312	3240	19,136,447
3320	22,320,150	3321	6,112,000	3450	124,001,909
3499	181,197,575				

Shareholder equity – lines 3500 to 3640

3500	23,900,000	3600	48,791,386	3620	72,691,386
3640	253,888,961				

Retained earnings – lines 3660 to 3849

3660	46,332,236	3680	5,459,150	3701	-3,000,000
3849	48,791,386				

SCHEDULE 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 125

Name of corporation	Business Number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

Description

Sequence number **0003** 01

Revenue – lines 8000 to 8299

8000	95,484,767	**8089**	95,484,767	**8094**	-56,000
8210	98,380	**8230**	-39,808	**8231**	27,560
8299	95,514,899				

Cost of sales – lines 8300 to 8519

8320	63,541,383	**8450**	11,093,913	**8518**	74,635,296
8519	20,849,471				

Operating expenses – lines 8520 to 9369

8520	70,936	**8523**	71,784	**8570**	1,170,755
8590	375,005	**8670**	6,058,817	**8690**	189,310
8710	4,606,483	**8860**	1,847,886	**9180**	335,056
9200	90,509	**9220**	347,475	**9367**	15,164,016
9368	89,799,312	**9369**	5,715,587		

Extraordinary items and taxes – lines 9970 to 9999

9970	5,715,587	**9990**	120,279	**9995**	136,158
9999	5,459,150				

Canada Revenue Agency | Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

- 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			5,459,150	A1
Net income (loss) after extraordinary items from line 110 of Schedule 150			0	A2
Total			5,459,150	A
Add:				
Provision for income taxes – current	101	120,279		
Provision for income taxes – deferred	102	136,158		
Amortization of tangible assets	104	6,058,817		
Amortization of intangible assets	106	1,170,755		
Charitable donations and gifts from Schedule 2	112	708		
Non-deductible meals and entertainment expenses	121	35,892		
Reserves from financial statements – balance at the end of the year	126	2,799,663		
Subtotal of additions		10,322,272 ▶	10,322,272	
Add:				
Financing fees deducted in books	216	10,458		

Other additions:

1 Description 605	2 Amount 295
Total of column 2	▶ 296

Subtotal of other additions	199	10,458 ▶	10,458	D
Total additions	500	10,332,730 ▶	10,332,730	
Amount A **plus** line 500			15,791,880	B
Deduct:				
Gain on disposal of assets per financial statements	401	98,380		
Capital cost allowance from Schedule 8	403	12,556,135		
Reserves from financial statements – balance at the beginning of the year	414	2,670,076		
Subtotal of deductions		15,324,591 ▶	15,324,591	

Deduct:

Other deductions:

1 Description 705	2 Amount 395
Total of column 2	▶ 396

Subtotal of other deductions	499	0 ▶	0	E
Total deductions	510	15,324,591 ▶	15,324,591	
Net income (loss) for income tax purposes (amount B **minus** line 510)			467,289	C

Enter amount C on line 300 of the T2 return.

Canada Revenue Agency / Agence du revenu du Canada

Schedule 130

Excessive Interest and Financing Expenses Limitation

Corporation's name	Business number	Tax year end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

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

Part 1A – Received capacity

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

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

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

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

Part 1B – Exempt IFE

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

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

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

Total of column 3 ________ A

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

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

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

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

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

1 Relationship with others parties	2 Total of the principal amounts of borrowing or other financing at any point in the tax year **012**	3 Total of the notional amounts of derivatives entered into in respect of a borrowing or other financing at any point in the tax year **013**	4 Total of all amounts included in paragraph (a) of variable A of IFE in respect of a borrowing or other financing **014**	5 Total of all amounts included in paragraph (e) of variable A of IFE (other than a loss or capital loss) **015**	6 Total of all amounts included in paragraph (a) of variable B of IFE (other than a dividend or exempt IFE or a gain included in taxpayer income) **016**
Canadian arm's length	74,761,988		3,178,517		
Canadian non-arm's length	46,818,299		1,427,514		
Non-resident arm's length					
Non-resident non-arm's length					

Total of column 4 (enter on line 027 in Part 2A) 4,606,031 A

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

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

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

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

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

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

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

Part 1E – IFE allocated from partnership

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

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

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

Part 2A – Interest and financing expenses (IFE)

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

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

	Line	Amount	
Interest paid or payable on a borrowing or other financing (excluding shares) (amount A from Part 1C)	027	4,606,031	
Interest paid or payable – other	028		
An amount that, on the assumption that it is not deductible under another section, would be deductible under subparagraphs 20(1)(e)(ii), 20(1)(e)(ii.1), 20(1)(e)(ii.2) and paragraphs 20(1)(e.1), 20(1)(e.2) and 20(1)(f)	029		
Amount attributable to IFE that your corporation has claimed for the particular tax year as:			
Capital cost allowance (CCA) (amount B from Part 2B)	030		
Resource expenses (amount A from Part 2C)	031		
Terminal loss (amount A from Part 2B)	032		
An amount, under or as a result of an agreement or arrangement entered into as or in relation to a borrowing or other financing of the corporation (or a non-arm's length person or partnership) that can reasonably be considered to increase or be part of the cost of funding with respect to the borrowing or other financing of the corporation (or a non-arm's length person or partnership), that is,			
Paid or payable that is deductible in the tax year (other than under subparagraph 20(1)(e)(i)) (amount B from Part 1C)	033		
A loss that is deductible in the tax year (other than under subparagraph 20(1)(e)(i))	034		
A capital loss that reduces the amount determined under paragraph 3(b) or deducted when calculating the corporation's taxable income for the tax year	035		
Expense or fee payable (other than an amount already included on line 029) under (or in contemplation of, in the course of entering into, or in relation to) an agreement or an arrangement that gives rise to, or can reasonably be expected to give rise to,			
An amount being included in IFE – under paragraph (e) of variable A of the definition of IFE	036		
An amount that reduces the IFE for the year under variable B of the definition of IFE	037		
A **lease financing amount** (other than an **excluded lease** and excluded interest)	038		
The corporation's share of the IFE of a partnership it is a member of (amount A from Part 1E)	039		
The portion of an amount claimed under paragraph 111(1)(e) that was denied under subsection 96(2.1) in a preceding tax year that is attributable to IFE	040		
An amount that is a controlled foreign affiliate's (CFA) **relevant affiliate interest and financing expenses**, to the extent of the corporation's **specified participating percentage** in respect of the affiliate for the affiliate tax year (enter on line 143 in Part 2L)	041		
Total of lines 027 to 041 (enter on lines 139 in Part 2K and 141 in Part 2L)		4,606,031	A

Variable B

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

	Line	Amount	
Received or receivable (other than as a dividend or exempt IFE) included in computing the corporation's income for the year (amount C from Part 1C)	042		
A gain included in the corporation's income for the year	043		
to the extent the amount is not sheltered from Canadian tax by virtue of a credit or deduction in respect of foreign taxes.			
The corporation's share of an amount that, if received or receivable by the corporation, would meet the description of an amount to be included on lines 042 or 043, but that is received or receivable by a partnership of which the corporation is a member (total of amounts from box 249 of the T5013 slips plus relevant amounts from non-resident partnerships)	044		
Total of lines 042 to 044			B
Total IFE. Amount A **minus** Amount B. If negative, **enter** "0". (enter on line 083 in Part 2F, line 113 in Part 2G, line 117 in Part 2H and on line 131 in Part 2K)	045	4,606,031	

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

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

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

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

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

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

Part 2C – IFE included in resource deductions

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

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

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

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

Part 2D – Interest and financing revenues (IFR)

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

Interest received or receivable (other than excluded interest, deemed interest under subsection 137(4.1), or an amount included in any of the other lines in Part 2D)	058	
Amount included in the income because of subsection 12(9) or section 17.1 (other than an amount included in any of the other lines in Part 2D)	059	
Fee or similar amount in respect of a guarantee or a similar credit support for the payment of any amount on a debt obligation owing by another person or partnership that is included in computing the corporation's income for the year (other than an amount included in any of the other lines in Part 2D)	060	

An amount, under or as a result of a agreement or arrangement, entered into as or in relation to a loan or other financing, owing to or provided by the corporation (or a non-arm's length person or partnership) that can reasonably be expected to increase or be part of the return of the corporation (or a non-arm's length person or partnership), that is,

Received or receivable (other than as a dividend) included in computing the corporation's income for the year (amount A from Part 1D)	061	
A gain included in the corporation's income for the year	062	
A lease financing amount (other than a lease that would meet the definition of an excluded lease in subsection 18.2(1), if that definition were read without regard to paragraph (a)) that is included in income, that is not excluded interest for the year	063	
The corporation's share of the IFR of a partnership it is a member of (total of amounts from box 248 of the T5013 slips plus relevant amounts from non-resident partnerships)	064	
Amount that is a CFA's relevant affiliate interest and financing revenues, to the extent of the corporation's specified participating percentage in respect of the affiliate for the affiliate tax year, less any deduction in respect of foreign accrual tax	065	
Total of lines 058 to 065		A

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

Under or as a result of an agreement or arrangement entered into as or in relation to a loan or other financing, owing to or provided by the corporation (or a non-arm's length person or partnership) that can reasonably be considered to reduce the return in respect of the loan or financing of the corporation (or a non-arm's length person or partnership), that is,

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

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

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

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

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

Part 2F – Adjusted taxable income (ATI)

Variable A

Description	Line	Amount	Total
If corporation is a non-resident, the corporation's taxable income earned in Canada (determined without regard to subsection 18.2(2), paragraphs 12(1)(l.2) and 111(1)(a.1)). In any other case, the corporation's taxable income (determined without regard to subsection 18.2(2), paragraphs 12(1)(l.2) and 111(1)(a.1) and clause 95(2)(f.11)(ii)(D))	079		466,581
Non-capital loss for the year (determined without regard to subsection 18.2(2), paragraphs 12(1)(l.2) and 111(1)(a.1) and clause 95(2)(f.11)(ii)(D))	080		
Total of all amounts determined under paragraph (b) of variable E of the ATI for CFAs of the corporation	081		
Total of all amounts determined under paragraph (b) of variable E of the ATI for CFAs of partnerships of which the corporation or a CFA of the corporation is a member	082		
Total of lines 080 to 082			A
Line 079 **minus** amount A (can be positive or negative amount)			466,581 B

Variable B

Description	Line	Amount
The corporation's IFE for the year (line 045 from Part 2A)	083	4,606,031
Amounts deducted when calculating income under paragraphs 20(1)(a) and 59.1(a), subsections 66(4), 66.1(2) or (3), 66.2(2), 66.21(4), 66.4(2), or 66.7(1), (2), (2.3), (3), (4) or (5), other than any portion already included in IFE	084	12,556,135
Terminal loss deducted under subsection 20(16) when calculating income for the year, other than any portion already included in IFE	085	
The corporation's share of the CCA or terminal loss of a partnership it is a member of (other than the portion that is already included in IFE), minus the portion of the amount that is not deductible when calculating the corporation's income or non-capital loss for the year because of subsection 96(2.1)	086	
If an amount has been deducted under paragraph 111(1)(e), the portion of the amount deducted that can reasonably be considered to be attributable to the CCA or terminal loss of a partnership (other than any portion that has been included in IFE)	087	
Amount deducted under paragraph 110(1)(k) when calculating taxable income for the year	088	
The portion of non-capital loss being deducted under paragraph 111(1)(a) that can reasonably be considered to be derived from IFE (amount A from Part 2E)	089	
25% of the amount deducted for a specified pre-regime loss under paragraph 111(1)(a) (see **note 4**)	090	
Additional amount, if any, that would be included in the corporation's income, in respect of a CFA or a CFA of a partnership of which the corporation or a CFA of the corporation is a member of, if the affiliate's foreign accrual property income (FAPI) was increased by an amount determined by the formula L x M/N contained in paragraph (j) of variable B of the definition of the ATI	091	
The corporation's loss if it had no income or loss other than a loss that can reasonably be considered to be from activities funded by a borrowing that results in exempt IFE (amount C from Part 1B)	092	
The corporation's share of the loss of a partnership it is a member of, if the partnership had no income or loss other than a loss that can reasonably be considered to be from activities funded by a borrowing that results in exempt IFE	093	
An amount deducted under subsections 127(5) or (6), 127.44(3), 127.45(6), 127.48(3) or 127.49(6) for a property acquired in a preceding tax year that the corporation did not include in income for the year or for a preceding year and did not include in the ATI for a preceding year to the extent it is included in an amount determined under paragraph 13(7.1)(e) and subparagraphs 53(2)(c)(vi) to (c)(vi.4) or (h)(ii) in the definition **undepreciated capital cost** in subsection 13(21)	094	
An amount described in clause 12(1)(x)(i)(C) or subparagraph 12(1)(x)(ii) that the corporation received, to the extent it reduces the cost or capital cost of property and is not included when calculating the corporation's income of the year under subparagraph 12(1)(x)(vi) or (vii)	095	
Total of lines 083 to 095. If negative, **enter** "0".		17,162,166 C

Part 2F continues on the next page >>

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

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

Variable C

IFR of the corporation for the year (line 072 from Part 2D)	096	
Recaptured depreciation amount under subsection 13(1)	097	
The corporation's share of the recaptured depreciation amount of a partnership of which it is a member	098	
Amount included under subsection 59(1) or (3.2) or paragraph 59.1(b) in computing income for the year	099	
Foreign-source income, to the extent it is sheltered from Canadian tax by foreign tax credits under subsection 126(1) or (2)	100	
Amount included under section 110.5 in computing the corporation's taxable income for the year	101	
Amount included in income of the corporation under subsection 104(13), less any portion designated under subsection 104(19) or any amount that gives rise to a deduction under paragraph 94.2(3)(a) in computing FAPI	102	
Amount of taxable income for the year that is not, because of an Act of Parliament, subject to tax under Part I of the Income Tax Act	103	
Income of the corporation if it had no income or loss other than income that can reasonably be considered to derive from activities funded by a borrowing that results in exempt IFE (amount B from Part 1B)	104	
Corporation's share of the income or loss of a partnership of which it is a member, if the partnership had no income or loss other than income that can reasonably be considered to derive from activities funded by a borrowing that results in exempt IFE	105	
Total of lines 096 to 105. If negative, **enter** "0".		D
ATI of the corporation for the year. Amount B **plus** amount C **minus** amount D. If negative, **enter** "0". (enter on line 107 in Part 2G, line 119 in Part 2H, and line 133 in Part 2K)	106	17,628,747

Part 2G – Excess capacity

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

ATI of the corporation for the year (line 106 from Part 2F)	107	17,628,747		
The ratio of permissible expenses of the corporation for the year	108	30 %		
Line 107 **multiplied by** line 108		5,288,624	5,288,624	A
IFR of the corporation for the year (line 072 from Part 2D)	109			
The amount by which the IFR exceeds the IFE for the year. If negative, **enter** "0"	110			
If, in the absence of section 257, the ATI is a negative amount, the absolute value of ATI, otherwise nil	111			
The **lesser** of lines 110 and 111				B
The ratio of permissible expenses of the corporation for the year	112	30 %		
Amount B **multiplied by** line 112				C
Line 109 **minus** amount C. If negative, **enter** "0".				D
Amount A **plus** amount D			5,288,624	E
The corporation's IFE for the year (line 045 from Part 2A)	113		4,606,031	
Amount E **minus** line 113. If negative, **enter** "0". (enter on line 129 in Part 2J)			682,593	F
The restricted interest and financing expenses deductible under paragraph 111(1)(a.1) for the year (amount B from Part 2J)	114			
Excess capacity for the current year. Amount F **minus** line 114. If negative, **enter** "0". (enter on line 126 in Part 2I)	115		682,593	

Part 2H – Absorbed capacity

Cumulative unused excess capacity determined as if the absorbed capacity for the year were nil (amount B in Part 2I)	116		682,593	
The corporation's IFE for the year (line 045 in Part 2A)	117	4,606,031		
If the corporation has made a group ratio election under subsection 18.21(2), the allocated group ratio amount	118			
If it has not made a group ratio election, the ATI (line 106 from Part 2F)	119	17,628,747		
Ratio of permissible expenses for the year	120	30 %		
Line 119 **multiplied** by line 120		5,288,624	5,288,624	A
The corporation's IFR for the year (line 072 from Part 2D)	121			
Either line 118 **or** amount A, whichever applies, **plus** line 121		5,288,624	5,288,624	B
Line 117 **minus** amount B. If negative, **enter** "0".				C
Absorbed capacity. The **lesser** of line 116 or amount C. (enter on line 127 in Part 2I and on line 138 in Part 2K)				D

Part 2I – Cumulative unused excess capacity (CUEC)

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

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

Total of column 4				A
Excess capacity for the year (line 115 from Part 2G)	126	682,593		
CUEC determined as if the absorbed capacity for the year were nil. Amount A **plus** line 126 (enter on line 116 in Part 2H)		682,593	▶ 682,593	B
Absorbed capacity (amount D from Part 2H)	127			
CUEC. Amount B **minus** line 127. If negative, **enter** "0".			682,593	C

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

RIFE from previous tax years	128			
Corporation's excess capacity for the year if the amount determined for C in that definition were nil (amount F from Part 2G)	129	682,593		
Total of all amounts of the corporation's received capacity for the year (amount A from Part 1A)	130			
Line 129 **plus** line 130		682,593	▶ 682,593	A
RIFE deductible under paragraph 111(1)(a.1) for the year. The **lesser** of line 128 and amount A (enter on line 114 in Part 2G and on line 137 in Part 2K)				B

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

The corporation's IFE for the year (line 045 from Part 2A)			**131**	4,606,031	
If a group ratio election under subsection 18.21(2) has been made, the amount determined and allocated in respect of the corporation for the year under the group ratio election		**132**			
If no group ratio election has been made, the ATI (line 106 from Part 2F)	**133** 17,628,747				
Ratio of permissible expenses	**134** 30 %				
Line 133 **multiplied** by line 134	5,288,624 ▶	5,288,624	A		
Either line 132 **or** amount A, whichever applies				5,288,624	B
The corporation's IFR for the year (line 072 from Part 2D)			**135**		
Received capacity for the year (amount A from Part 1A)		**136**			
RIFE deductible under paragraph 111(1)(a.1) for the year (amount B from Part 2J)		**137**			
The amount of received capacity that exceeds the deductible amount under paragraph 111(1)(a.1). Line 136 **minus** line 137. If negative, **enter** "0".			▶		C
Absorbed capacity amount for the year (amount D from Part 2H)			**138**		
Amount B **plus** line 135 **plus** amount C **plus** line 138				5,288,624	D
Line 131 **minus** amount D					E
If IFE does not include any amount for relevant affiliate interest and financing expenses:					
Variable A of IFE (amount A from Part 2A)		**139**	4,606,031		
In all other situations:					
Variable A of IFE, adjusted to remove any amounts that are part of a CFA's relevant affiliate interest and financing expenses under variable B of IFE		**140**			
Either line 139 **or** line 140, whichever applies				4,606,031	F
Amount E **divided** by amount F. If negative, **enter** "0". (enter in column 3 in Part 2M)				%	G

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

Variable A of IFE (amount A from Part 2A)	**141**	4,606,031		
Total of the amounts determined under paragraph (h) of variable A of IFE (amount A from Part 1E)	**142**			
Total of the amounts determined under paragraph (j) of variable A of IFE (line 041 from Part 2A)	**143**			
Line 141 **minus** line 142 **minus** line 143. If negative, **enter** "0".		4,606,031 ▶	4,606,031	A
Total of all amounts determined under subsection 18.2(2). Amount G in Part 2K **multiplied** by amount A in Part 2L. (enter on line 159 in Part 2O and in Schedule 1 of T2 return)				B

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

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

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

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

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

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

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

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

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

Part 2O – RIFE under subsection 111(8)

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

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Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

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

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
My Tribute Gift	350
United Way Niagara	300
Subtotal	650
Add: Total donations of less than $100 each	58
Total donations in current tax year	708

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			1A		
Charitable donations expired after five tax years*	239				
Charitable donations at the beginning of the current tax year (amount 1A **minus** line 239)	240				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year (include this amount on line 112 of Schedule 1, Net Income (Loss) for Income Tax Purposes)	210	708		708	708
Subtotal (line 250 **plus** line 210)		708	1B	708	708
Subtotal (line 240 **plus** amount 1B)		708	1C	708	708
Adjustment for an acquisition of control	255				
Total charitable donations available (amount 1C **minus** line 255)		708	1D	708	708
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2) (enter this amount on line 311 of the T2 return)	260	708		708	708
Charitable donations closing balance (amount 1D **minus** line 260)	280				

The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013) . . . . **262** ____________

Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %) . . . . ____________ 1

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

The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015) . . . . **263** ____________

Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %) . . . . ____________ 2

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

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

British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %) . . . . ____________ 3

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

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

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2024-12-31			
2nd prior year	2023-12-31			
3rd prior year	2022-12-31			
4th prior year	2021-12-31			
5th prior year	2020-12-31			
6th prior year*	2019-12-31			
7th prior year	2018-12-31			
8th prior year	2017-12-31			
9th prior year	2016-12-31			
10th prior year	2015-12-31			
11th prior year	2014-12-31			
12th prior year	2013-12-31			
13th prior year	2012-12-31			
14th prior year	2011-12-31			
15th prior year	2010-12-31			
16th prior year	2009-12-31			
17th prior year	2008-12-31			
18th prior year	2007-12-31			
19th prior year	2006-12-31			
20th prior year	2005-12-31			
21st prior year*	2004-12-31			
Total (to line A)				

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

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes **(Note 1) multiplied** by 75 % 350,467 2A

Taxable capital gains arising in respect of gifts of capital property included in Part 1 **(Note 2)** **225**

Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) **227**

The amount of the recapture of capital cost allowance in respect of charitable donations **230**

Proceeds of disposition, **less** outlays and expenses **(Note 2)** 2B

Capital cost **(Note 2)** 2C

Amount 2B or 2C, whichever is less **235**

Amount on line 230 or 235, whichever is less 2D

Subtotal (**add** lines 225, 227, and amount 2D) 2E

Amount 2E **multiplied** by 25 % 2F

Subtotal (amount 2A **plus** amount 2F) 350,467 2G

Maximum allowable deduction for charitable donations
(enter amount 1D from Part 1, amount 2G, or net income for tax purposes, whichever is the least) 708 2H

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

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

Part 3 – Gifts of certified cultural property

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

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

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2024-12-31			
2nd prior year	2023-12-31			
3rd prior year	2022-12-31			
4th prior year	2021-12-31			
5th prior year	2020-12-31			
6th prior year*	2019-12-31			
7th prior year	2018-12-31			
8th prior year	2017-12-31			
9th prior year	2016-12-31			
10th prior year	2015-12-31			
11th prior year	2014-12-31			
12th prior year	2013-12-31			
13th prior year	2012-12-31			
14th prior year	2011-12-31			
15th prior year	2010-12-31			
16th prior year	2009-12-31			
17th prior year	2008-12-31			
18th prior year	2007-12-31			
19th prior year	2006-12-31			
20th prior year	2005-12-31			
21st prior year*	2004-12-31			
Total				

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

Part 4 – Gifts of certified ecologically sensitive land

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

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

Amounts carried forward – Gifts of certified ecologically sensitive land

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

Year of origin:		Federal	Québec	Alberta
1st prior year	2024-12-31			
2nd prior year	2023-12-31			
3rd prior year	2022-12-31			
4th prior year	2021-12-31			
5th prior year	2020-12-31			
6th prior year*	2019-12-31			
7th prior year	2018-12-31			
8th prior year	2017-12-31			
9th prior year	2016-12-31			
10th prior year	2015-12-31			
11th prior year*	2014-12-31			
12th prior year	2013-12-31			
13th prior year	2012-12-31			
14th prior year	2011-12-31			
15th prior year	2010-12-31			
16th prior year	2009-12-31			
17th prior year	2008-12-31			
18th prior year	2007-12-31			
19th prior year	2006-12-31			
20th prior year	2005-12-31			
21st prior year*	2004-12-31			
Total				

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

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

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

Part 5 – Additional deduction for gifts of medicine

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

Federal

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

Québec

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

Alberta

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

where:

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

b is the eligible amount of gifts (line 600)

c is the proceeds of disposition (line 602)

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

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

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

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2024-12-31			
2nd prior year	2023-12-31			
3rd prior year	2022-12-31			
4th prior year	2021-12-31			
5th prior year	2020-12-31			
6th prior year*	2019-12-31			
7th prior year	2018-12-31			
8th prior year	2017-12-31			
9th prior year	2016-12-31			
10th prior year	2015-12-31			
11th prior year	2014-12-31			
12th prior year	2013-12-31			
13th prior year	2012-12-31			
14th prior year	2011-12-31			
15th prior year	2010-12-31			
16th prior year	2009-12-31			
17th prior year	2008-12-31			
18th prior year	2007-12-31			
19th prior year	2006-12-31			
20th prior year	2005-12-31			
21st prior year*	2004-12-31			
Total				

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

Québec – Gifts of musical instruments

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

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2024-12-31	
2nd prior year	2023-12-31	
3rd prior year	2022-12-31	
4th prior year	2021-12-31	
5th prior year	2020-12-31	
6th prior year	2019-12-31	
7th prior year	2018-12-31	
8th prior year	2017-12-31	
9th prior year	2016-12-31	
10th prior year	2015-12-31	
11th prior year	2014-12-31	
12th prior year	2013-12-31	
13th prior year	2012-12-31	
14th prior year	2011-12-31	
15th prior year	2010-12-31	
16th prior year	2009-12-31	
17th prior year	2008-12-31	
18th prior year	2007-12-31	
19th prior year	2006-12-31	
20th prior year	2005-12-31	
21st prior year*	2004-12-31	
Total		

* These gifts expired in the current year.

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Tax Calculation Supplementary – Corporations

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

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

Part 1 – Allocation of taxable income

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

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

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

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

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

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits
466,581		466,581	53,657

Description	Line	Amount		Total	Ref
Ontario basic income tax (from Schedule 500)	270	53,657			
Ontario small business deduction (from Schedule 500)	402				
Subtotal (line 270 **minus** line 402)		53,657	▶	53,657	5A
Ontario transitional tax debits and credits (from Schedule 506)	276				
Recapture of Ontario research and development tax credit (from Schedule 508)	277				
Repayment of Ontario made manufacturing investment tax credit	281				
Subtotal (line 276 **plus** line 277 **plus** line 281)			▶		5B
Gross Ontario tax (amount 5A **plus** amount 5B)				53,657	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")				53,657	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")				53,657	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")				53,657	5G
Ontario corporate minimum tax (from Schedule 510)	278	100,664			
Ontario special additional tax on life insurance corporations (from Schedule 512)	280				
Subtotal (line 278 **plus** line 280)		100,664	▶	100,664	5H
Total Ontario tax payable before refundable tax credits (amount 5G **plus** amount 5H)				154,321	5I
Ontario qualifying environmental trust tax credit	450				
Ontario co-operative education tax credit (from Schedule 550)	452				
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)			▶		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			154,321	

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 255 154,321

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

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Exhibit 6

Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

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

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

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

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

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

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

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

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

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

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

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

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

Part 2 – CCA calculation

	1 Class number Note 3 200	Description	2 Undepreciated capital cost (UCC) at the beginning of the year 201	3 Cost of acquisitions during the year (new property must be available for use) Note 4 203	4 Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP) Note 5 232	5 Adjustments and transfers Note 6 205	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition Note 7 221	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition Note 8 222	8 Proceeds of dispositions Note 9 207
1.	1		19,828,382						0
2.	1b	Building > Mar 18, 2007	337,152	27,103					0
3.	2		775,315						0
4.	3		33,169						0
5.	8		745,102	157,554					0
6.	10		873,874	1,243,247					0
7.	12	Software		1,627,825					0
8.	14.1	Eligible Cumulative Expenditures	340,258						0
9.	45	Computers > 22-03-04 & < 19-03-07	6						0
10.	46	System Supervisory processing equipment	2						0
11.	47		95,153,705	16,455,173					261,224
12.	50	Computers > Mar 18, 2007	134,404	454,459					0
		Totals	118,221,369	19,965,361					261,224

	1 Class number	Description	9 Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4) 234	10 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) Note 10	11 UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) Note 11 236	12 Immediate expensing Note 12 238	13 Cost of acquisitions on remainder of Class (column 3 **minus** column 12)	14 Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56 Note 13 225	15 Remaining UCC (column 10 **minus** column 12) (if negative, enter "0")	16 Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 **plus** column 6 **minus** column 13 **plus** column 14 **minus** column 7) (if negative, enter "0")
1.	1			19,828,382					19,828,382	
2.	1b	Building > Mar 18, 2007		364,255			27,103	27,103	364,255	
3.	2			775,315					775,315	
4.	3			33,169					33,169	
5.	8			902,656			157,554	157,554	902,656	
6.	10			2,117,121			1,243,247	1,243,247	2,117,121	

	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")
7.	12	Software		1,627,825			1,627,825		1,627,825	
8.	14.1	Eligible Cumulative Expenditures		340,258					340,258	
9.	45	Computers > 22-03-04 & < 19-03-07		6					6	
10.	46	System Supervisory processing equipm		2					2	
11.	47			111,347,654			16,455,173	16,455,173	111,347,654	261,224
12.	50	Computers > Mar 18, 2007		588,863			454,459	454,459	588,863	
		Totals		137,925,506			19,965,361	18,337,536	137,925,506	261,224

Part 2 – CCA calculation (continued)

	1 Class number	Description	17 Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 **minus** column 16) (if negative, enter "0")	18 UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 **multiplied** by the relevant factor) Note 14	19 UCC adjustment for property acquired during the year other than AIIP and property included in Classes 54 to 56 (0.5 **multiplied** by the result of column 13 **minus** column 14 **minus** column 6 **plus** column 7 **minus** column 8) (if negative, enter "0") Note 15 224	20 CCA rate % Note 16 212	21 Recapture of CCA Note 17 213	22 Terminal loss Note 18 215	23 CCA (for declining balance method, the result of column 15 **plus** column 18 **minus** column 19, **multiplied** by column 20, or a lower amount, **plus** column 12) Note 19 217	24 UCC at the end of the year (column 10 **minus** column 23) 220
1.	1					4	0	0	793,135	19,035,247
2.	1b	Building > Mar 18, 2007	27,103			6	0	0	21,855	342,400
3.	2					6	0	0	46,519	728,796
4.	3					5	0	0	1,658	31,511
5.	8		157,554			20	0	0	180,531	722,125
6.	10		1,243,247			30	0	0	635,136	1,481,985
7.	12	Software				100	0	0	1,627,825	
8.	14.1	Eligible Cumulative Expenditures				5	0	0	17,785	322,473
9.	45	Computers > 22-03-04 & < 19-03-07				45	0	0	3	3
10.	46	System Supervisory processing equipment				30	0	0	1	1
11.	47		16,193,949			8	0	0	8,907,812	102,439,842
12.	50	Computers > Mar 18, 2007	454,459			55	0	0	323,875	264,988
		Totals	18,076,312						12,556,135	125,369,371

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

Note 3: If a class number has not been provided in Schedule II of the *Income Tax Regulations* for a particular class of property, use the subsection provided in Regulation 1101.

Note 4: Include any property acquired in previous years that has now become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, *General Discussion of Capital Cost Allowance*, for exceptions to the 50% rule. Do not include any amount in column 3 in respect of property included in column 5 (see note 6). See Guide T4012 for more information about the cost of acquisitions during the year.

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

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

Note 7: Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

Part 2 – CCA calculation (continued)

Note 8: Include all amounts you have repaid during the year for any legally required repayment, made after the disposition of a corresponding property, of:

- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
- an inducement, assistance, or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)

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

Note 9: For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
If the cost of a zero-emission passenger vehicle (or a passenger vehicle that was, at any time, a DIEP) exceeds the prescribed amount and it is disposed of to a person or partnership with which you deal at arm's length, the proceeds of disposition will be adjusted based on a factor equal to the prescribed amount as a proportion of the actual cost of the vehicle. The actual cost of the vehicle will be adjusted for payment or repayment of government assistance.

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

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

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

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

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

- UCC of the DIEP: total of column 11

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

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

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

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

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

Part 2 – CCA calculation (continued)

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

Note 16: Enter a rate only if you are using the declining balance method. For any other method (for example, the straight-line method, where calculations are always based on the cost of acquisitions), enter "N/A". Then enter the amount you are claiming in column 23.

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

Note 18: If no property is left in the class at the end of the tax year and there is still a positive amount in the column 10, you have a terminal loss. If applicable, enter the positive amount from column 10 in column 22. The terminal loss rules do not apply to:

- passenger vehicles in Class 10.1
- property in Class 14.1, unless you have ceased carrying on the business to which it relates
- limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply, unless certain conditions are met

Note 19: If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See Guide T4012 for more information.
For property in Class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year.
For AIIP listed below, the maximum first year allowance you can claim is determined as follows:

- Class 13: if the capital cost of the property was incurred before 2024, the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction), and in any other case, the amount for the year calculated in accordance with Schedule III of the Regulations
- Class 14: the lesser of 150% (if the property becomes available for use in the year and before 2024) or 125% (if the property becomes available for use in the year and after 2023) of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
- Class 15: the lesser of 150% (if the property is acquired in the year and before 2024) or 125% (if the property is acquired in the year and after 2023) of an amount calculated on the basis of a rate per cord, board foot, or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
- Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% (for property acquired in the year and before 2024) or 33 1/3% (in any other case) of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
- Class 41.2: use a 25% CCA rate. The additional allowance under paragraphs 1100(1)(y.2) (for single mine properties) and 1100(1)(ya.2) (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive

The AIIP provisions also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to an industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the *Income Tax Regulations* for more details.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

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

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	0395518 B.C. Ltd.		12628 4249 RC0001	3					
2.	1228158 Ontario Limited		88706 8690 RC0001	3					
3.	13747719 Canada Inc.		74931 7400 RC0001	3					
4.	Algoma Power Inc.		82249 4290 RC0001	3					
5.	BC Gas (Argentina) S.A.	AR	NR	3					
6.	BC Gas (Malaysia) SDN. BHD.	MY	NR	3					
7.	Caribbean Utilities Company, Ltd.	KY	NR	3					
8.	Central Hudson Electric Transmissic	US	NR	3					
9.	Central Hudson Enterprise Corp.	US	NR	3					
10.	Central Hudson Gas & Electric Corp.	US	NR	3					
11.	Central Hudson Gas Transmission L	US	NR	3					
12.	CH Energy Group Inc.	US	NR	3					
13.	Conjuction LLC	US	NR	3					
14.	Cornwall Street Railway Light and P		12090 6839 RC0001	3					
15.	DataLink Ltd.	KY	NR	3					
16.	Empire Connection LLC	US	NR	3					
17.	Escavada Leasing Company	US	NR	3					
18.	Fortis (WP) GP Inc.		80854 1726 RC0001	3					
19.	Fortis Belize Limited	BZ	NR	3					
20.	Fortis Cayman Inc.	KY	NR	3					
21.	Fortis Energy Caribbean Inc.	BM	NR	3					
22.	Fortis Energy Cayman Inc.	KY	NR	3					
23.	Fortis Energy Corporation		10386 4443 RC0001	3					
24.	Fortis Energy International (Belize)	BZ	NR	3					
25.	Fortis Hawaii Energy Inc		78426 6496 RC0001	3					
26.	Fortis Inc.		10185 2416 RC0001	3					
27.	Fortis LNG GP Inc.		80839 2781 RC0001	3					
28.	Fortis LNG Jetty GP Inc.		79895 4749 RC0001	3					
29.	FortisAlberta Holdings Inc.		86921 0203 RC0001	3					
30.	FortisAlberta Inc.		86929 4520 RC0001	3					
31.	FortisBC Alternative Energy Services		81144 5873 RC0001	3					
32.	FortisBC Energy Inc.		10043 1592 RC0004	3					
33.	FortisBC Holdings Inc.		10534 9740 RC0004	3					
34.	FortisBC Huntington Inc.		12974 2870 RC0001	3					
35.	FortisBC Inc.		10564 5642 RC0001	3					
36.	FortisBC LNG Developments Inc.		79802 9898 RC0001	3					
37.	FortisBC Pacific Holdings Inc.		87170 9101 RC0001	3					
38.	FortisCanada Inc.		87470 8209 RC0001	3					
39.	FortisOntario District Heating Inc.		89329 1740 RC0001	3					
40.	FortisOntario Inc.		10076 8985 RC0003	1					
41.	FortisRT Canada Inc.		70374 2510 RC0001	3					
42.	FortisRT GP Inc.		70374 2718 RC0001	3					
43.	FortisTCI Limited	TC	NR	3					

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
44.	FortisUS Holdings Nova Scotia Limit		82872 6091 RC0002	3					
45.	FortisUS Inc.	US	NR	3					
46.	Inland Energy Corp.		11960 8529 RC0001	3					
47.	Inland Pacific Energy Services		10249 0554 RC0001	3					
48.	International Transmission Compan	US	NR	3					
49.	ITC Energy Solutions LLC	US	NR	3					
50.	ITC Equipment, LLC	US	NR	3					
51.	ITC Great Plains, LLC	US	NR	3					
52.	ITC Grid Development, LLC	US	NR	3					
53.	ITC Holdings Corp.	US	NR	3					
54.	ITC Investment Holdings Inc.	US	NR	3					
55.	ITC Mid-Atlantic Development LLC	US	NR	3					
56.	ITC Midcontinent Development LLC	US	NR	3					
57.	ITC Midwest LLC	US	NR	3					
58.	ITC New York Development LLC	US	NR	3					
59.	ITC South Central Development LLC	US	NR	3					
60.	LEH Ontario Holdings GP Inc.		70093 1819 RC0001	3					
61.	Maritime Electric Company, Limited		12111 9879 RC0001	3					
62.	MEH Equities Management Compan	US	NR	3					
63.	MEH Storage LLC	US	NR	3					
64.	Michigan Electric Transmission Com	US	NR	3					
65.	Michigan Transco Holdings LLC	US	NR	3					
66.	Millennium Energy Holdings, Inc.	US	NR	3					
67.	Mt. Hayes (GP) Ltd.		84888 3914 RC0001	3					
68.	New York Transmission Holdings Co	US	NR	3					
69.	Newfoundland Energy Luxembourg	LU	NR	3					
70.	Newfoundland Power Inc.		10386 4831 RC0001	3					
71.	NewfoundlandEnergy Switzerland Lt	CH	NR	3					
72.	NewfoundlandEnergy UK Ltd	GB	NR	3					
73.	San Carlos Resources Inc.	US	NR	3					
74.	Terasen International Inc.		13237 5346 RC0001	3					
75.	Tilbury Jetty Limited Partnership		73041 5536 RC0001	3					
76.	Tucson Electric Power Company	US	NR	3					
77.	Tucsonel Inc.	US	NR	3					
78.	Turks and Caicos Utilities Limited	TC	NR	3					
79.	Unisource Energy Development Con	US	NR	3					
80.	Unisource Energy Services, Inc.	US	NR	3					
81.	UNS Electric, Inc.	US	NR	3					
82.	UNS Energy Corporation	US	NR	3					
83.	UNS Gas, Inc.	US	NR	3					
84.	Wataynikaneyap Power PM Inc.		80650 3967 RC0001	3					
85.	West Kootenay Power Ltd.		89427 8670 RC0001	3					
86.									

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

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Deferred Pension Asset GL 150C	-3,589,070			45,282	-3,634,352
2	Deferred Post Retirement Benef	6,259,146		474,700	299,831	6,434,015
3						
	Reserves from Part 2 of Schedule 13					
	Totals	2,670,076		474,700	345,113	2,799,663

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

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Exhibit 6

Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

- 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:

	Line	Amount		
Reserves that have not been deducted in calculating income for the year under Part I	101			
Capital stock (or members' contributions if incorporated without share capital)	103	23,900,000		
Retained earnings	104	48,791,386		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108			
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)		72,691,386 ▶	72,691,386	A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
a) those lines applied to partnerships in the same manner that they apply to corporations, and
b) those amounts were computed without reference to amounts owing by the partnership
(i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
(ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

Exhibit 6

Subtotal A (from page 1)			72,691,386	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	72,691,386	

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 capital

Capital for the year (line 190)		72,691,386	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	72,691,386	

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)	72,691,386	x	Taxable income earned in Canada **610** 466,581 / Taxable income 466,581	=	**Taxable capital employed in Canada** **690**	72,691,386

Notes:
1. Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
2. Where a corporation's taxable income for a tax year is "0," it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of $1,000.
3. In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada . . **701** ______

Deduct the following amounts:

Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada . . . . **711** ______

Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada . . . . **712** ______

Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal or movable property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below) . . . . **713** ______

Total deductions (**add** lines 711, 712, and 713) ______ ▶ ______ E

Taxable capital employed in Canada (line 701 **minus** amount E) (if negative, enter "0") . . . . **790** ______

Note: Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690)		F
Deduct:	10,000,000	G
Excess (amount F **minus** amount G) (if negative, enter "0")		H
Calculation for purposes of the small business deduction (amount H x 0.225%)		I

Enter this amount at line 415 of the T2 return.

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Schedule 500

Ontario Corporation Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in Ontario at any time in the tax year and had Ontario taxable income in the tax year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

Part 1 – Ontario basic income tax

Ontario taxable income **(Note 1)**	466,581	1A
Ontario basic rate of tax for the year	**11.5** %	1B
Ontario basic income tax (amount 1A **multiplied** by amount 1B) **(Note 2)**	53,657	1C

Note 1: If your corporation had a permanent establishment only in Ontario, enter the amount from line 360, from page 3 of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.

Note 2: If your corporation had a permanent establishment in more than one jurisdiction or is claiming an Ontario tax credit in addition to Ontario basic income tax, Ontario corporate minimum tax, or Ontario special additional tax on life insurance corporations payable, enter amount 1C on line 270 of Schedule 5, Tax Calculation Supplementary – Corporations. Otherwise, enter it on line 760 of the T2 return.

Part 2 – Ontario small business deduction (OSBD)

Complete this part if your corporation claimed the federal small business deduction under subsection 125(1).

Line 400 of the T2 return ____ 2A

Line 405 of the T2 return ____ 2B

Line 410 of the T2 return ____ 2C

Line 415 of the T2 return ____ 2D

Business limit reduction for tax years starting before April 7, 2022

Amount 2C ____ x Amount 2D ____ / 11,250 = ____ 2E

Business limit reduction for tax years starting after April 6, 2022

Amount 2C ____ x Amount 2D ____ / 90,000 = ____ 2F

Amount 2E or amount 2F, whichever applies ____ 2G

Line 515 of the T2 return ____ 2H

Subtotal (amount 2C **minus** amount 2G **minus** amount 2H) ____ ▶ ____ 2I

Amount 2A, 2B or 2I whichever is the least ____ ▶ ____ 2J

Ontario domestic factor (ODF): Taxable income for Ontario **(Note 3)** 466,581.00 / Taxable income for all provinces **(Note 4)** 466,581 = 1.00000 2K

Amount 2J **multiplied** by amount 2K ____ 2L

Ontario taxable income (amount 1A) 466,581 2M

Ontario small business income (amount 2L or 2M, whichever is less) ____ ▶ ____ 2N

Ontario small business deduction for the year

Amount 2N ____ x 8.3 % = ____ 2O

Enter Ontario small business deduction for the year (amount 2O) on line 402 of Schedule 5.

Note 3: Enter amount 1A.

Note 4: Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 3 – Ontario adjusted small business income

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

Ontario adjusted small business income (amount 1A or 2J, whichever is the least) 3A

Enter amount 3A at amount 4B in Part 4 of this schedule or at amount 2E in Part 2 of Schedule 502, Ontario Tax Credit for Manufacturing and Processing, whichever applies.

Part 4 – Credit union tax reduction

Complete this part and Schedule 17, Credit Union Deductions, if the corporation was a credit union throughout the tax year.

Amount 2C of Schedule 17 . . . . 4A

Ontario adjusted small business income (amount 3A) 4B

Subtotal (amount 4A **minus** amount 4B) (if negative, enter "0") ▶ 4C

Amount 4C x 8.3 % = ... 4D

Ontario domestic factor (amount 2K) 1.00000 4E

Ontario credit union tax reduction (amount 4D **multiplied** by amount 4E) 4F

Enter amount 4F on line 410 of Schedule 5.

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Schedule 510

Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

- 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	253,888,961
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	
Total assets (total of lines 112 to 116)		253,888,961
Total revenue of the corporation for the tax year **	142	95,514,899
Share of total revenue from partnership(s) and joint venture(s) **	144	10,000,000
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	
Total revenue (total of lines 142 to 146)		105,514,899

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	5,459,150
Add (to the extent reflected in income/loss):				
Provision for current income taxes/cost of current income taxes	220	120,279		
Provision for deferred income taxes (debits)/cost of future income taxes	222	136,158		
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		256,437		256,437 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	5,715,587

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	5,715,587	
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	5,715,587	

Amount from line 520: 5,715,587 x (Number of days in the tax year before July 1, 2010 / Number of days in the tax year: 365) x 4 % = ______ 1

Amount from line 520: 5,715,587 x (Number of days in the tax year after June 30, 2010: 365 / Number of days in the tax year: 365) x 2.7 % = 154,321 2

Subtotal (amount 1 **plus** amount 2) 154,321 3

Gross CMT: amount on line 3 above x OAF **	540	154,321	
Deduct:			
Foreign tax credit for CMT purposes ***	550		
CMT after foreign tax credit deduction (line 540 **minus** line 550) (if negative, enter "0")		154,321	D
Deduct:			
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		53,657	
Net CMT payable (if negative, enter "0")		100,664	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 *	243,997	G		
Deduct:				
CMT credit expired *	**600**			
CMT credit carryforward at the beginning of the current tax year * (see note below)	243,997	▶ **620**	243,997	
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)			243,997	H
Deduct:				
CMT credit deducted in the current tax year (amount P from Part 5)				I
Subtotal (amount H **minus** amount I)			243,997	J
Add:				
Net CMT payable (amount E from Part 3)	100,664			
SAT payable (amount O from Part 6 of Schedule 512)				
Subtotal	100,664	▶	100,664	K
CMT credit carryforward at the end of the tax year (amount J **plus** amount K)		**670**	344,661	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)					243,997	M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)			53,657	1		
For a corporation that is not a life insurance corporation:						
CMT after foreign tax credit deduction (amount D from Part 3)	154,321	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:			154,321	6		
Subtotal (if negative, enter "0")				▶		N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)			53,657			
Deduct:						
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 **minus** line 450 from Schedule 5)						
Subtotal (if negative, enter "0")			53,657	▶	53,657	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.

Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 511

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

Name of corporation	Business Number	Tax year-end Year Month Day
Canadian Niagara Power Inc.	87249 8225 RC0002	2025-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the *T2 Corporation Income Tax Return.*

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
1	0395518 B.C. Ltd.	12628 4249 RC0001	0	0
2	1228158 Ontario Limited	88706 8690 RC0001	0	0
3	13747719 Canada Inc.	74931 7400 RC0001	0	0
4	Algoma Power Inc.	82249 4290 RC0001	0	0
5	BC Gas (Argentina) S.A.	NR	0	0
6	BC Gas (Malaysia) SDN. BHD.	NR	0	0
7	Caribbean Utilities Company, Ltd.	NR	0	0
8	Central Hudson Electric Transmission LLC	NR	0	0
9	Central Hudson Enterprise Corp.	NR	0	0
10	Central Hudson Gas & Electric Corp.	NR	0	0
11	Central Hudson Gas Transmission LLC	NR	0	0
12	CH Energy Group Inc.	NR	0	0
13	Conjuction LLC	NR	0	0
14	Cornwall Street Railway Light and Power Company Lin	12090 6839 RC0001	0	0
15	DataLink Ltd.	NR	0	0
16	Empire Connection LLC	NR	0	0
17	Escavada Leasing Company	NR	0	0
18	Fortis (WP) GP Inc.	80854 1726 RC0001	0	0
19	Fortis Belize Limited	NR	0	0
20	Fortis Cayman Inc.	NR	0	0
21	Fortis Energy Caribbean Inc.	NR	0	0
22	Fortis Energy Cayman Inc.	NR	0	0
23	Fortis Energy Corporation	10386 4443 RC0001	0	0
24	Fortis Energy International (Belize) Inc.	NR	0	0
25	Fortis Hawaii Energy Inc	78426 6496 RC0001	0	0
26	Fortis Inc.	10185 2416 RC0001	0	0
27	Fortis LNG GP Inc.	80839 2781 RC0001	0	0
28	Fortis LNG Jetty GP Inc.	79895 4749 RC0001	0	0

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
29	FortisAlberta Holdings Inc.	86921 0203 RC0001	0	0
30	FortisAlberta Inc.	86929 4520 RC0001	0	0
31	FortisBC Alternative Energy Services Inc.	81144 5873 RC0001	0	0
32	FortisBC Energy Inc.	10043 1592 RC0004	0	0
33	FortisBC Holdings Inc.	10534 9740 RC0004	0	0
34	FortisBC Huntington Inc.	12974 2870 RC0001	0	0
35	FortisBC Inc.	10564 5642 RC0001	0	0
36	FortisBC LNG Developments Inc.	79802 9898 RC0001	0	0
37	FortisBC Pacific Holdings Inc.	87170 9101 RC0001	0	0
38	FortisCanada Inc.	87470 8209 RC0001	0	0
39	FortisOntario District Heating Inc.	89329 1740 RC0001	0	0
40	FortisOntario Inc.	10076 8985 RC0003	0	0
41	FortisRT Canada Inc.	70374 2510 RC0001	0	0
42	FortisRT GP Inc.	70374 2718 RC0001	0	0
43	FortisTCI Limited	NR	0	0
44	FortisUS Holdings Nova Scotia Limited	82872 6091 RC0002	0	0
45	FortisUS Inc.	NR	0	0
46	Inland Energy Corp.	11960 8529 RC0001	0	0
47	Inland Pacific Energy Services	10249 0554 RC0001	0	0
48	International Transmission Company	NR	0	0
49	ITC Energy Solutions LLC	NR	0	0
50	ITC Equipment, LLC	NR	0	0
51	ITC Great Plains, LLC	NR	0	0
52	ITC Grid Development, LLC	NR	0	0
53	ITC Holdings Corp.	NR	0	0
54	ITC Investment Holdings Inc.	NR	0	0
55	ITC Mid-Atlantic Development LLC	NR	0	0
56	ITC Midcontinent Development LLC	NR	0	0
57	ITC Midwest LLC	NR	0	0
58	ITC New York Development LLC	NR	0	0
59	ITC South Central Development LLC	NR	0	0
60	LEH Ontario Holdings GP Inc.	70093 1819 RC0001	0	0
61	Maritime Electric Company, Limited	12111 9879 RC0001	0	0
62	MEH Equities Management Company	NR	0	0
63	MEH Storage LLC	NR	0	0
64	Michigan Electric Transmission Company, LLC	NR	0	0
65	Michigan Transco Holdings LLC	NR	0	0

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
66	Millennium Energy Holdings, Inc.	NR	0	0
67	Mt. Hayes (GP) Ltd.	84888 3914 RC0001	0	0
68	New York Transmission Holdings Corp.	NR	0	0
69	Newfoundland Energy Luxembourg	NR	0	0
70	Newfoundland Power Inc.	10386 4831 RC0001	0	0
71	NewfoundlandEnergy Switzerland Ltd	NR	0	0
72	NewfoundlandEnergy UK Ltd	NR	0	0
73	San Carlos Resources Inc.	NR	0	0
74	Terasen International Inc.	13237 5346 RC0001	0	0
75	Tilbury Jetty Limited Partnership	73041 5536 RC0001	0	0
76	Tucson Electric Power Company	NR	0	0
77	Tucsonel Inc.	NR	0	0
78	Turks and Caicos Utilities Limited	NR	0	0
79	Unisource Energy Development Company	NR	0	0
80	Unisource Energy Services, Inc.	NR	0	0
81	UNS Electric, Inc.	NR	0	0
82	UNS Energy Corporation	NR	0	0
83	UNS Gas, Inc.	NR	0	0
84	Wataynikaneyap Power PM Inc.	80650 3967 RC0001	0	0
85	West Kootenay Power Ltd.	89427 8670 RC0001	0	0
		Total	450	550

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.

Corporate Taxpayer Summary

Corporate information

Corporation's name . . . . Canadian Niagara Power Inc.

Taxation Year . . . . 2025-01-01 to 2025-12-31

Jurisdiction . . . . Ontario

BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC
☐	☐	☐	☐	X	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐

Corporation is associated . . . . Y

Corporation is related . . . . Y

Number of associated corporations . . 85

Type of corporation . . . . Corporation Controlled by a Public Corporation

Total amount due (refund) federal and provincial* . . . . -13,692

* The amounts displayed on lines "Total amount due (refund) federal and provincial" are all listed in the help. Press F1 to consult the context-sensitive help.

Summary of federal information

Net income		467,289
Taxable income		466,581
Donations		708
Calculation of income from an active business carried on in Canada		467,289
Dividends paid		
Dividends paid – Regular		
Dividends paid – Eligible		
Balance of the low rate income pool at the end of the previous year		
Balance of the low rate income pool at the end of the year		
Balance of the general rate income pool at the end of the previous year		
Balance of the general rate income pool at the end of the year		
Part I tax (base amount)		177,301

Credits against Part I tax		Summary of tax		Refunds/credits	
Small business deduction		Part I	69,987	ITC refund	
M&P deductions		Part IV		Dividends refund:	
Foreign tax credit		Part III.1		– Eligible dividends	
Investment tax credits		Other*		– Non-eligible dividends	
Abatement/Other*	107,314	Provincial or territorial tax	154,321	Instalments	238,000
				Other*	
				Balance due/refund (–)	-13,692

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

Summary of federal carryforward/carryback information

Carryforward balances

Financial statement reserve 2,799,663

Summary of provincial information – provincial income tax payable

	Ontario	Québec (CO-17)	Alberta (AT1)
Net income	467,289		
Taxable income	466,581		
% Allocation	100.00		
Attributed taxable income	466,581		
Tax payable before deduction*	53,657		
Deductions and credits			
Net tax payable	53,657		
Attributed taxable capital	N/A		N/A
Capital tax payable**	N/A		N/A
Total tax payable***	154,321		
Instalments and refundable credits			
Balance due/Refund (-)	154,321		
Logging Operations Return (COZ-1179)			
Logging tax payable	N/A		N/A

* For Québec, this includes special taxes.

** For Québec, this includes compensation tax and registration fee.

*** For Ontario, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations. The Balance due/Refund is included in the federal Balance due/refund.

Summary of provincial carryforward amounts

Other carryforward amounts

Ontario

Corporate minimum tax credit that can be carried forward over 20 years – Schedule 510 . . . 344,661

Summary – taxable capital

Federal

Corporate name	Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return	Taxable capital used to calculate line 120 in Schedule 65
Canadian Niagara Power Inc.		70,232,236	72,691,386	72,691,386	
0395518 B.C. Ltd.					
1228158 Ontario Limited	1				
13747719 Canada Inc.					
Algoma Power Inc.	66,026,939				
BC Gas (Argentina) S.A.					
BC Gas (Malaysia) SDN. BHD.					
Caribbean Utilities Company, Ltd.					
Central Hudson Electric Transmission LLC					
Central Hudson Enterprise Corp.					
Central Hudson Gas & Electric Corp.					
Central Hudson Gas Transmission LLC					
CH Energy Group Inc.					
Conjuction LLC					
Cornwall Street Railway Light and Power Company Limited	27,759,121				
DataLink Ltd.					
Empire Connection LLC					
Escavada Leasing Company					
Fortis (WP) GP Inc.					
Fortis Belize Limited					

Federal

Corporate name	Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return	Taxable capital used to calculate line 120 in Schedule 65
Fortis Cayman Inc.					
Fortis Energy Caribbean Inc.					
Fortis Energy Cayman Inc.					
Fortis Energy Corporation					
Fortis Energy International (Belize) Inc.					
Fortis Hawaii Energy Inc					
Fortis Inc.					
Fortis LNG GP Inc.					
Fortis LNG Jetty GP Inc.					
FortisAlberta Holdings Inc.					
FortisAlberta Inc.					
FortisBC Alternative Energy Services Inc.					
FortisBC Energy Inc.					
FortisBC Holdings Inc.					
FortisBC Huntington Inc.					
FortisBC Inc.					
FortisBC LNG Developments Inc.					
FortisBC Pacific Holdings Inc.					
FortisCanada Inc.					
FortisOntario District Heating Inc.	29,564				
FortisOntario Inc.	124,679,631				
FortisRT Canada Inc.					
FortisRT GP Inc.					
FortisTCI Limited					
FortisUS Holdings Nova Scotia Limited					
FortisUS Inc.					
Inland Energy Corp.					
Inland Pacific Energy Services					
International Transmission Company					
ITC Energy Solutions LLC					
ITC Equipment, LLC					
ITC Great Plains, LLC					
ITC Grid Development, LLC					
ITC Holdings Corp.					
ITC Investment Holdings Inc.					
ITC Mid-Atlantic Development LLC					
ITC Midcontinent Development LLC					
ITC Midwest LLC					
ITC New York Development LLC					
ITC South Central Development LLC					
LEH Ontario Holdings GP Inc.					
Maritime Electric Company, Limited					
MEH Equities Management Company					
MEH Storage LLC					
Michigan Electric Transmission Company, LLC					
Michigan Transco Holdings LLC					
Millennium Energy Holdings, Inc.					
Mt. Hayes (GP) Ltd.					
New York Transmission Holdings Corp.					
Newfoundland Energy Luxembourg					
Newfoundland Power Inc.					
NewfoundlandEnergy Switzerland Ltd					
NewfoundlandEnergy UK Ltd					

Federal

Corporate name	Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return	Taxable capital used to calculate line 120 in Schedule 65
San Carlos Resources Inc.					
Terasen International Inc.					
Tilbury Jetty Limited Partnership					
Tucson Electric Power Company					
Tucsonel Inc.					
Turks and Caicos Utilities Limited					
Unisource Energy Development Company					
Unisource Energy Services, Inc.					
UNS Electric, Inc.					
UNS Energy Corporation					
UNS Gas, Inc.					
Wataynikaneyap Power PM Inc.					
West Kootenay Power Ltd.					
Total	218,495,256	70,232,236	72,691,386	72,691,386	

Québec

Corporate name	Paid-up capital used to calculate the Québec business limit reduction (CO-771) and to calculate the additional deduction for transportation costs of remote manufacturing SMEs (CO-156.TR)	Paid-up capital used to calculate the tax credit for investment (CO-1029.8.36.IN) and to determine the applicability of Forms CO-1029.8.33.CS and CO-1029.8.33.TE	Paid-up capital used to calculate the $1 million deduction (CO-1137.A and CO-1137.E)
Total			

Ontario

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

Alberta

Corporate name	Taxable capital used to calculate the Alberta innovation employment grant (Schedule A29)
Total	

Other provinces

Corporate name	Capital used to calculate the Newfoundland and Labrador capital deduction on financial institutions (Schedule 306)	Capital used to calculate the Nova Scotia basic capital deduction on financial institutions (Schedule 353)
Total		

Five-Year Comparative Summary

Federal information (T2)

	Current year	1st prior year	2nd prior year	3rd prior year	4th prior year
Taxation year end	**2025-12-31**	**2024-12-31**	**2023-12-31**	**2022-12-31**	**2021-12-31**
Net income	467,289	1,102,730	413,672	2,456,366	381,377
Taxable income	466,581	1,077,759	413,572	2,455,266	380,792
Active business income	467,289	1,102,730	413,672	2,456,366	381,377
Dividends paid					
Dividends paid – Regular					
Dividends paid – Eligible					
LRIP – end of the previous year					
LRIP – end of the year					
GRIP – end of the previous year					
GRIP – end of the year					
Donations	708	24,971	100	1,100	585
Balance due/refund (-)	-13,692	-616,431	-468,742	3,510	167,063
Line 996 – Amended tax return	☐	☐	☐	☐	☐

Loss carrybacks requested in prior years to reduce taxable income

Taxation year end	**2025-12-31**	**2024-12-31**	**2023-12-31**	**2022-12-31**	**2021-12-31**
Taxable income before loss carrybacks	N/A	N/A	413,572	2,455,266	380,792
Non-capital losses	N/A	N/A			
Net capital losses (50%)	N/A	N/A			
Restricted farm losses	N/A	N/A			
Farm losses	N/A	N/A			
Listed personal property losses (50%)	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted taxable income after loss carrybacks	N/A	N/A	413,572	2,455,266	380,792

Losses in the current year carried back to previous years to reduce taxable income (according to Schedule 4)

Taxation year end	**2025-12-31**	**2024-12-31**	**2023-12-31**	**2022-12-31**	**2021-12-31**
Adjusted taxable income before current year loss carrybacks*	N/A	1,077,759	413,572	2,455,266	N/A
Non-capital losses	N/A				N/A
Net capital losses (50%)	N/A				N/A
Restricted farm losses	N/A				N/A
Farm losses	N/A				N/A
Listed personal property losses (50%)	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted taxable income after loss carrybacks	N/A	1,077,759	413,572	2,455,266	N/A

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

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

Taxation year end	2025-12-31	2024-12-31	2023-12-31	2022-12-31	2021-12-31
Adjusted Part IV tax multiplied by the multiplication factor**, before loss carrybacks	N/A	N/A			
Non-capital losses	N/A	N/A			
Farm losses	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A	N/A			

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

Taxation year end	2025-12-31	2024-12-31	2023-12-31	2022-12-31	2021-12-31
Adjusted Part IV tax multiplied by the multiplication factor**, before current-year loss carrybacks***	N/A				N/A
Non-capital losses	N/A				N/A
Farm losses	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A				N/A

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

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

Federal taxes

Taxation year end	2025-12-31	2024-12-31	2023-12-31	2022-12-31	2021-12-31
Part I	69,987	161,663	62,036	368,289	57,119
Part IV					
Part III.1					
Other*					

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

Credits against Part I tax

Taxation year end	2025-12-31	2024-12-31	2023-12-31	2022-12-31	2021-12-31
Small business deduction					
M&P deductions					
Foreign tax credit					
Investment tax credit					
Abatement/other*	107,314	247,885	95,121	564,712	87,582

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

Refunds/credits

Taxation year end	2025-12-31	2024-12-31	2023-12-31	2022-12-31	2021-12-31
ITC refund					
Dividend refund					
– Eligible dividends					
– Non-eligible dividends					
Instalments	238,000	908,253	668,000	528,000	
Other*					

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

Ontario

Taxation year end	2025-12-31	2024-12-31	2023-12-31	2022-12-31	2021-12-31
Net income	467,289	1,102,730	413,672	2,456,366	381,377
Taxable income	466,581	1,077,759	413,572	2,455,266	380,792
% Allocation	100.00	100.00	100.00	100.00	100.00
Attributed taxable income	466,581	1,077,759	413,572	2,455,266	380,792
Surtax					
Income tax payable before deduction	53,657	123,942	47,561	282,356	43,791
Income tax deductions /credits				116,135	
Net income tax payable	53,657	123,942	47,561	166,221	43,791
Taxable capital					
Capital tax payable					
Total tax payable*	154,321	133,159	137,222	166,221	109,944
Instalments and refundable credits		3,000		3,000	
Balance due/refund**	154,321	130,159	137,222	163,221	109,944

* For taxation years ending before January 1, 2009, this includes the corporate minimum tax and the premium tax. For taxation years ending after December 31, 2008, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations.

** For taxation years ending after December 31, 2008, the Balance due/Refund is included in the federal Balance due/refund.

General Index of Financial Information

Notes to the financial statements

1. Basis of accounting and summary of significant accounting policies
Incorporation
Canadian Niagara Power Inc. (the "Corporation" or "CNPI"), formerly Canadian Niagara Power Company, Limited, is a wholly owned subsidiary of FortisOntario Inc. (the "parent company") that was incorporated on February 17, 1999 to comply with the Electricity Act, 1998 (Ontario) (the "Act"). The Act requires that the electric power transmission and distribution businesses, previously carried out by the parent company, be carried out by a separate legal entity. Effective March 31, 1999, the Corporation purchased the electric power transmission and distribution assets of its parent company and commenced operations. On January 1, 2004, the Corporation was amalgamated with Eastern Ontario Power Inc. and continued as Canadian Niagara Power Inc. The business of the Corporation is the transmission and distribution of electricity to customers within Ontario. The business is regulated by the Ontario Energy Board ("OEB").
These financial statements include the operating results of the Niagara and Eastern Ontario Power (Gananoque) distribution centers and the Niagara transmission center.(a) Basis of accounting
These financial statements have been prepared in accordance with Canadian accounting standards for private enterprises ("ASPE"), as per Part II of the CPA Handbook - Accounting, which constitutes generally accepted accounting principles for non publicly accountable enterprises in Canada.
(b) Significant accounting policies
Regulation
CNPI distribution
The distribution rates of CNPI are based upon Cost of Service ("CoS") rate regulation by the OEB. Earnings are regulated on the basis of a rate of return on rate base plus a recovery of all allowable distribution costs.
On August 17, 2023, CNPI filed an application with the OEB seeking approval to change electricity distribution rates, effective January 1, 2024, based on Fourth Generation Incentive Rate Mechanism ("4GIRM"). A revised Decision and Order was issued December 15, 2023, that approved the net price cap index adjustment for CNPI of 4.35% (Inflation factor net of a productivity and stretch factor 4.80% (0% + 0.45%)). The 4.35% adjustment will be applied to distribution rates (fixed and variable charges) uniformly across all customer classes. The Decision and Order also approved CNPI requests to recover $977 in 2022 extraordinary event costs related to a severe storm (Z-Factor) as well as $47 related to Lost Revenue Adjustment Mechanism.
On August 15, 2024, CNPI filed an application with the OEB seeking approval to change electricity distribution rates, effective January 1, 2025, based on 4GIRM. A Decision and Order was issued December 12, 2024, that approved the net price cap index adjustment for CNPI of 3.15% (Inflation factor net of a productivity and stretch factor 3.60% - (0% + 0.45%)). The 3.15% adjustment will be applied to distribution rates (fixed and variable charges) uniformly across all customer classes.
On August 14, 2025, CNPI filed an application with the OEB seeking approval to change electricity distribution rates, effective January 1, 2026, based on 4GIRM. A Decision and Order was issued December 18, 2025, that approved the net price cap index adjustment for CNPI of 3.25% (Inflation factor net of a productivity and stretch factor 3.70% - (0% + 0.45%)). The 3.25% adjustment will be applied to distribution rates (fixed and variable charges) uniformly across all customer classes.
1. Basis of accounting and summary of significant accounting policies (continued)(b) Significant accounting policies (continued)
Regulation (continued)
CNPI transmission

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The transmission rates of CNPI are based upon CoS rate regulation by the OEB. Earnings are regulated on the basis of a rate of return on rate base plus a recovery of all allowable transmission costs.
On November 17, 2014, CNPI submitted a Revenue Requirement Application for its Transmission business. The Application sought approval of CNPI's 2015 and 2016 Transmission Revenue Requirement.
On June 25, 2015, the OEB issued its Decision and Order. The Decision and Order approved final revenue requirements of $4,246 and $4,647 for 2015 and 2016 respectively, and provided a 9.3% Return on Equity ("ROE") with a 60%/40% debt equity structure.
The provincial Uniform Transmission Rates ("UTR") for the 2017-2025 rate years continued to include CNPI's approved 2016 revenue requirement of $4.6 million. A Decision and Order was issued January 18, 2024, relating to CNPI's 2024 transmission revenue requirement which remains unchanged from CNPI's approved 2016 revenue requirement of $4.6 million. A Decision and Order was issued January 21, 2025, relating to CNPI's 2025 transmission revenue requirement which remains unchanged from CNPI's approved 2016 revenue requirement of $4.6 million. CNPI filed a letter with the OEB on July 28, 2025, confirming it would not be seeking any updates to its transmission revenue requirement for 2026 rates. A letter was issued October 9, 2025, setting 2026 preliminary UTR including CNPI's 2026 transmission revenue requirement which remains unchanged from CNPI's approved 2016 revenue requirement of $4.6 million.Materials and supplies
Materials and supplies are recorded at average cost. Materials and supplies expensed to operating expenses in 2025 were $118 ($157 in 2024).
Utility capital assets and capitalization policy
Nature of distribution and transmission assets
Distribution assets
Distribution assets are those used to distribute electricity at lower voltages (generally below 50 kilovolts). These assets include poles, towers and fixtures, low voltage wires, transformers, overhead and underground conductors, street lighting, meters, metering equipment and other related equipment.Transmission assets
Transmission assets are those used to transmit electricity at higher voltages (generally at 50 kilovolts and above). These assets include poles, wires and conductors, substations, support structures and other related equipment.
1. Basis of accounting and summary of significant accounting policies (continued)(b) Significant accounting policies (continued)
Service life range and average remaining service life of utility capital assetsThe service life range and average remaining service life of the utility
capital assets are as follows:

	Service life range (years)	Average remaining service life (years)
Distribution	10 to 50	34.3
Transmission	20 to 50	31.7
Other	5 to 50	8.6

Utility capital assets are stated at cost less accumulated amortization. Amortization is provided over the estimated useful lives of the utility capital assets using the straight-line method at a composite rate of 2.3% (2.3% in 2024).
Contributions in aid of construction represent funding of utility capital assets contributed by customers. These accounts are being reduced annually by an amount equal to the charge for amortization provided on the contributed portion of the utility capital assets involved.Capitalization policy
The Corporation's capitalization policy is in accordance with the OEB's

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requirements to use a "modified IFRS" accounting basis to allow for more consistency amongst electricity distribution utilities in Ontario and this includes having asset useful lives that align with guidelines, and certain directly attributable costs that are capitalized while general overhead costs are not.Intangible assets

Intangible assets are stated at cost less accumulated amortization. Amortization is provided over the estimated useful lives of the intangible assets using the straight-line method.

The service life range and average remaining service life of the intangible assets are as follows:

	Service life range (years)	Average remaining service life (years)
Software costs	5 to 10	4.3
Land and transmission rights	40	17.7
Other	40 to 45	28.4

Goodwill

Goodwill represents the excess of the acquisition cost of the shares of the Corporation, and Eastern Ontario Power Inc. (amalgamated with the Corporation on January 1, 2004) over the assigned value of identifiable net assets acquired, as well as the excess of the purchase price of the remaining utility capital assets of Port Colborne Hydro Inc. ("PCHI") over the fair value of these assets.

1. Basis of accounting and summary of significant accounting policies (continued)(b) Significant accounting policies (continued)

Goodwill (continued)

ASPE requires that goodwill shall be tested for impairment whenever events or changes in circumstances indicate that the carrying amount of the reporting unit to which the goodwill is assigned may exceed the fair value of the reporting unit. Any impairment in value is charged to earnings during the year.Revenue recognition

Revenue from the sale, transmission and distribution of electricity is recognized on the accrual basis. Electricity is metered upon delivery to customers and is recognized as revenue using approved rates when consumed. Meters are read periodically and bills are issued to customers based on these readings. At the end of the year a certain amount of consumed electricity will not have been billed. Electricity that is consumed but not yet billed to the customers is estimated and accrued as revenue in the current year. Unbilled revenue included in accounts receivable as at December 31, 2025, is $6,553
($7,256 in 2024). Other revenue is recognized when services are provided and the customer takes ownership and assumes risk of loss in accordance with customer contracts, collection of the related receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable. Amounts received for future services are deferred until the service is provided.Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into Canadian dollars at the exchange rate prevailing at the balance sheet date. Gains and losses on translation are included in the statement of earnings and retained earnings. Revenue and expenses are translated at the exchange rate prevailing on the transaction date.

Employee benefit plans

The cost of the Corporation's defined benefit pension plans is determined periodically by independent actuaries. The Corporation has chosen an accounting policy to measure its defined benefit plan obligations using the funding valuation approach. This approach uses the most recent completed actuarial valuations prepared for funding purposes as the basis of measuring defined benefit plan obligations. As well, the Corporation is using a

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roll-forward technique in the years between valuations to estimate the defined benefit plan obligations. Pension plan assets are valued at fair value as at the balance sheet date.
In 2013, the Corporation made an application to the OEB to allow recognition of regulatory assets related to unamortized amounts, and restatement of prior years' pension and other retirement benefit expenses, that would otherwise be collected from customers through rates in subsequent years. In December 2013, the OEB issued a Decision and Order approving the establishment of specific deferral accounts to recognize these amounts as long-term regulatory assets, which will be disposed of in future CoS proceedings, subject to the OEB's prudence review at that time. As well, the Corporation reversed previously recognized future income tax liabilities related to the changes in the pension and other retirement benefit liabilities as of January 1, 2014. The Corporation recognized offsetting regulatory liabilities related to the future income taxes expected to be recovered from customers in future electricity rates as of January 1, 2014.
The Corporation made an application to the OEB to continue to account for pension and other retirement benefits under the former Section 3461.
1. Basis of accounting and summary of significant accounting policies (continued)(b) Significant accounting policies (continued)
Employee benefit plans (continued)
In December 2013, the OEB issued a Decision and Order approving the establishment of specific variance accounts as of January 1, 2013, to recognize the difference in expense between Sections 3461 and 3462 as long-term regulatory assets or liabilities for 2013 and future years, which will be disposed of in future CoS proceedings, subject to the OEB's prudence review at that time.Financial instruments
Financial assets and financial liabilities are initially recognized at fair value when the Corporation becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost.
Transaction costs related to financial instruments measured subsequent to initial recognition at fair value are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the effective interest method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the effective interest method and recognized in net earnings as interest income or expense.
With respect to financial assets measured at cost or amortized cost, the Corporation recognizes an impairment loss, if any, in net earnings when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to net earnings in the period the reversal occurs.Income taxes
The Corporation follows the future income taxes method of accounting for income taxes. Under this method, future tax assets and liabilities are recognized for the temporary differences between the tax and accounting bases of assets and liabilities. Future tax assets and liabilities are measured using the enacted and substantively enacted tax rates and laws expected to apply to taxable income in the period in which the temporary differences are expected to be recovered or settled. The Corporation recognizes regulatory assets related to future income tax liabilities in the amount of future

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income taxes expected to be recovered from customers in future electricity rates.Use of estimates
The preparation of financial statements in conformity with ASPE 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 period. Unbilled revenue, valuation of pension and post-retirement obligations, amortization, and income taxes are specific areas where the use of estimates and assumptions are significant. Actual results may vary from the current estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the period in which they become known.
2. Utility capital assets
Utility capital assets consist of the following:

The amounts above include assets under construction of $6,939 ($12,597 in 2024) which are not subject to amortization.3. Intangible assets
Intangible assets consist of the following:

4. Employee future benefits
The Corporation is a participating employer with its parent company in a defined benefit pension plan and a defined benefit plan providing other retirement benefits. The Corporation also maintains a defined contribution pension plan providing pension benefits and makes contributions to the Ontario Municipal Employees' Retirement Plan ("OMERS") plan on behalf of some of its employees. OMERS is a multi-employer defined benefit pension plan providing pension benefits and is accounted for as a defined contribution pension plan.
Information about the Corporation's defined benefit plans is as follows:

The measurement date for the plan assets and the accrued benefit obligation was as at December 31, 2025. The effective date of the most recent actuarial valuation was as at December 31, 2022, and the date of the next required valuation for funding purposes is as at December 31, 2025, and will be completed by September 2026. The measurement date for other retirement plans was as at December 31, 2025. The effective date of the most recent actuarial valuation was as at December 31, 2024.
The defined benefit pension plan assets held at the measurement date are represented by the following categories:
4. Employee future benefits (continued)

The total expense for the Corporation's defined contribution pension plan for the year amounted to $462 ($455 in 2024). The pension cost associated with the OMERS plan was $98 ($96 in 2024).5. Income taxes
The following is a reconciliation of the combined statutory income tax rate to the effective income tax rate:
The provision for income taxes consists of the following:

5. Income taxes (continued)
Future income taxes are provided for temporary differences. Net future tax liabilities consist of the following:
6. Related party transactions
During the year, the Corporation entered into the following transactions with related parties:
These transactions are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and

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agreed to by the related parties.6. Related party transactions (continued)
As at December 31, the amounts due from (to) related parties are as follows:

Details of relationships with related parties are as follows:
. Fortis Inc. owns a 100% interest in the capital stock of FortisOntario Inc.. FortisOntario Inc. owns a 100% interest in the capital stock of the Corporation
. Cornwall Street Railway, Light and Power Company Limited is a wholly owned subsidiary of FortisOntario Inc.
. Algoma Power Inc. is a wholly owned subsidiary of FortisOntario Inc.
. CH Energy Group Inc. is a wholly-owned subsidiary of Fortis Inc.
7. Long-term debt
Long-term debt consists of the following:

The senior unsecured notes bear interest at 4.102% and are repayable at maturity on
August 14, 2048. Interest expense on long-term debt for the year was $3,077 ($3,077 in 2024). The Corporation incurred debt issue costs in 2018 of $316 that are being amortized over the term of the loan. As at December 31, 2025, the accumulated amortization amounted to $78 ($67 in 2024).
7. Long-term debt (continued)
The Corporation's long-term debt obligations and credit facility agreements have covenants that restrict the issuance of additional debt such that debt cannot exceed 75% of their capital structures as defined in the agreements. As at December 31, 2025, the Corporation was in compliance with its debt covenants (in compliance in 2024).8. Capital stock
The authorized and issued capital stock consists of 23,900,001 common shares without par value.9. Amortization
Amortization consists of the following:

Vehicle amortization is allocated to utility capital assets and operating expenses on a labour distribution basis.10. Statement of cash flows
The net change in non-cash working capital balances related to operations consists of the following:
10. Statement of cash flows (continued)
Supplemental cash flow information:

11. Financial risk management
The Corporation is primarily exposed to credit risk, liquidity risk and market risk as a result of holding financial instruments in the normal course of business.
Credit risk - Risk that a third party to a financial instrument might fail to meet its obligations under the terms of the financial instrument.
Liquidity risk - Risk that an entity will encounter difficulty in raising funds to meet commitments associated with financial instruments.
Market risk and interest rate risk - Risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices.Credit risk
For cash, trade and other accounts receivable due from customers, the Corporation's credit risk is limited to the carrying value on the balance sheet.
The Corporation is exposed to credit risk from its distribution customers but has various policies to minimize this risk. These policies include requiring customer deposits, performing disconnections and using third party collection agencies for overdue accounts. The Corporation has a large and diversified distribution customer base, which minimizes the concentration of this risk.

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The aging of the Corporation's trade and other receivables due from customers is as follows:

11. Financial risk management (continued)

Liquidity risk

Liquidity risk to the Corporation is minimized. Financing of regulated capital and other expenditures is done through internally generated funds. These funds are a result of allowable rate regulated returns and recoveries under the OEB rate regulation mechanism.

The Corporation's parent company is wholly owned by Fortis Inc., a large investor owned utility that has had the ability to raise sufficient and cost-effective financing. However, the ability to arrange financing on a go forward basis is subject to numerous factors including the results of operations and financial position of Fortis Inc. and its subsidiaries, conditions in the capital and bank credit markets, ratings assigned by rating agencies and general economic conditions.

To mitigate any liquidity risk, the Corporation is a party to a committed revolving credit facilities and letters of credit facilities totaling $65,000 ($65,000 in 2024), of which $50,700 ($50,700 in 2024) was unused. The revolving credit facilities and letters of credit facilities are renewed on an annual basis. Loans payable are renewed on a rolling one month period from time to time as needed by the Corporation. This credit agreement is shared among the subsidiaries of FortisOntario Inc. and is renewed on an annual basis.

The following summary outlines the credit facilities among the subsidiaries of FortisOntario Inc:

The facility is guaranteed by the parent company and the revolving credit facilities bear interest at the bankers' acceptance rate plus 1.00% in the case of bankers' acceptances, and at the bank's prime lending rate plus 0.20% in the case of bank loans.

The following is an analysis of the contractual maturities of the Corporation's financial liabilities as at December 31:

11. Financial risk management (continued)

Liquidity risk (continued)

The long-term debt above is presented at gross of any deferred financing costs (see Note 7).Market risk

Interest rate risk

Long-term debt is at fixed interest rates thereby minimizing cash flow and interest rate fluctuation exposure. The Corporation is primarily subject to risks associated with fluctuating interest rates on its short-term borrowings. As of December 31, 2025, the Corporation's short-term borrowings are nil (nil in 2024).12. Capital management

The Corporation manages its capital to approximate the deemed capital structure reflected in the utility's customer rates. Effective January 1, 2022, the distribution rates are based on a deemed capital structure of 60% debt and 40% equity. The Corporation's capital structure consists of third party debt, affiliated debt and common equity but excludes unamortized debt issue costs.The managed capital is as follows:

13. Regulatory assets and liabilities

Regulatory assets and liabilities arise as a result of regulatory requirements.

The Corporation pays the cost of power on behalf of its customers and recovers these costs through retail billings to its customers. The cost of power includes charges for transmission, wholesale market operations and the power itself from Ontario's Independent Electricity

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System Operator. The balance of the retail settlement variance account represent the costs that have not been recovered from, or settled through, customers as of the balance sheet date. The OEB's Distribution Rate Handbook and Accounting Procedures Handbook allow these costs to be deferred and recovered through future rate adjustments, as discussed in Note 1. In the absence of rate regulation, these costs would be expensed in the period that they are incurred.13. Regulatory assets and liabilities (continued)

The OEB has the general power to include or exclude costs, revenues, gains or losses in the rates of a specific period, resulting in the timing of revenue and expense recognition that may differ in the Corporation's regulated operations from those otherwise expected in non-regulated businesses. This change in timing gives rise to the recognition of regulatory assets and liabilities. The Corporation continually assesses the likelihood of recovery of its regulatory assets and believes that its regulatory assets and liabilities will be factored into the setting of future rates as discussed in Note 1. If future recovery through rates is no longer considered probable, the appropriate carrying amount will be written off in the period that the assessment is made.

In 2019, the OEB directed all regulated utilities to recognize a regulatory liability for any
cash tax savings related to the new accelerated capital cost allowance rules enacted by the federal government in late 2018. As at December 31, 2021, the Corporation is no longer required to track variances related to accelerated capital cost allowance for its distribution business unit as approved in the Decision and Order issued for CNPI's 2022 CoS. In the Decision and Order for CNPI's 2022 CoS, the OEB approved the disposition over a period of one year for the accumulated tax savings related to the new accelerated capital cost allowance rules. CNPI's transmission business unit continues to track variances related to accelerated capital cost allowance.

Regulatory assets and liabilities are generally not subject to a regulatory return; however, the balances include an accrual for interest recovery/payable as permitted by the regulators. The purpose of the following table is to provide reconciliation between the regulatory assets and liabilities and the remaining rebate period:

14. Segmented information

(a) Earnings

(b) Utility capital assets