	Α	В	С	I D
1	SECTION 93 PILS TAX GROSS-UP "SIMPIL"	_		
2	REGULATORY INFORMATION (REGINFO)			
3				
4	Halton Hills Hydro Inc.			Amount
5	December 31, 2001			
6				
7	BACKGROUND			
8	Has the utility reviewed section 149(1) ITA to			
9	confirm that it is not subject to regular corporate			
10	tax (and therefore subject to PILs)?		Y/N	у
11				
12	Was the utility recently acquired by Hydro One			
13	and now subject to s.89 & 90 PILs?		Y/N	n
14				
15	Accounting Year End		Date	31-Dec
16				
	MARR NO TAX CALCULATIONS			
	SHEET #7 FINAL RUD MODEL DATA		ſ	
	(FROM 1999 FINANCIAL STATEMENTS)			
	USE BOARD-APPROVED AMOUNTS			
21	Data hasa (wisan anh.)			#0E 0E0 067 6E
	Rate base (wires-only)			\$25,052,967.65
23	Common Faulty Bette (CED)			50.00%
24 25	Common Equity Ratio (CER)			50.00%
26	4 CEP			50.000/
27	1-CER			50.00%
28	Torrat Datum On Equity			9.88%
29	Target Return On Equity			9.00%
30	Debt rate			7.25%
31	Debitate			1.2570
	Market Adjusted Revenue Requirement			2,145,787
33	warker Adjusted Nevertae Nequirement			2,170,707
34	1999 return from RUD Sheet #7			0
35	1333 Tetain Holl Nob offeet #1			
-00	Total Incremental revenue			2,145,787
37	Input Board-approved dollar amounts phased-in (generally prorated			2,140,707
38	on the effective date of the inclusion of MARR in rates)			
39	Amount allowed in 2001, Year 1			715,405
40	Amount allowed in 2002, Year 2			715,191
41	Amount allowed in 2003, Year 3			715,191
42	THIOGIN GILL TO SEE TO			,
	Equity			12,526,484
44				
	Return at target ROE			1,237,617
46	- Note of the got in o			
47	Debt			12,526,484
48				
49	Deemed interest amount in EBIT			908,170
50				
51	Phase-in of interest - Year 1			302,784
52	((D34+D39)/D32)*D49			
53	Phase-in of interest - Year 2			605,477
54	((D34+D39+D40)/D32)*D49			
55	Phase-in of interest - Year 3 (D49)			908,170
56				233,
ب				

COSS-UP: SIMPLY LINE Initial Source Cookers of Cookers	≺	<u>m</u>	O	_	ш	L	פ	=		7	_	1
December 31, 2001 Account 5, 2001 Account 6, 2001 Account 6, 2001 Account 7, 2001 Account 6, 2001 Account 7, 2001 Account 6, 2001 Account			Initial	Source	Deferral	Deferral	Deferral	Source	MofF	MofF	MofF	Source
NAKE OLD LAND LOOK FLAND LAND LAND LAND LAND LAND LAND LAND	DEFERRAL/VARIANCE ACCOUNTS		Estimate		Account	Account	Account		Filing	Filing	Filing	
Pulmer Fills Hydro Inc. Decimal State St				Foot-	Variance	Variance	Allowance	Foot-	Variance	Variance		Foot-
Particle High Hoto Inc. S				note	9-0	Explanation		note	K-G	Explanation	(June)	note
Processive 31, 2017 Processive 32, 2017	2		63	##	s		(\$)	*	s		S	#:
December 31, 2001 Page P											Column	
NOTION PROTECTION PR											Brought	
National Regulatory	9										Forward	
ACCOUNTED INCOME TAXES ACCOUNTING INCOME BOOK TO TAX ADJUSTNERITS ACCOUNTING INCOME ACCOUNTING INCOME BOOK TO TAX ADJUSTNERITS ACCOUNTING INCOME ACCOUNT INCOME ACCOUNTING INCOME	11										TAXREC	
According Notice Colored Frequency National Regulatory Adjustments Colored Frequency Colored Frequency Adjustments Colored Frequency C	12 I) CORPORATE INCOME TAXES											
Regulatory Net Income 1												
## Additions: To Accounting Income ## Additions To Accounting Income ## Additions To Accounting Income ## Additions Tax Reserves ## Additi		1		14	178,851		178,851	Ш	-178,851			10
## Additional process of the control												
Additions: Care Tax Caccuration Tax Additions: Case Pearlet Filters Frequent Large Concatent of Amounts Frequent Large Concatent Tax Frequent Large Concatent Tax Frequent Large Concatent Tax Frequent Large Concatent Nations Frequent Large Concatent Tax Frequent Large Concatent Nations Frequent Large Large Concatent Nations Frequent Large La	\neg										100	
Deprecation 2												
Embroyael Large Control Tax Embroyael Benefit Plans Accrued, Not Paid 4 4 4 0 0 88 0 88 0 0 88 0 0 88 0 0 8 88 0 0 8 88 0 0 8 88 0 0 8 88 0 0 8 88 0 0 0 8 88 0 0 0 8 88 0 0 0 8 88 0		2		ZA	402,641		402,641	2B	-402,641			3C
Particular Regulatory Income Tax Results	-	e .		3A	0			38	0 (
Charge in lar Kesalvas		4 1		44 S	0			5 5	0 0			
Other Additions (See Tab entitled TAXREC") Waterial' ten #1 Waterial' ten #1 Waterial' ten #1 Waterial' ten #2 Capital Cost Allowance Capital Co	_	o (c		AC AA	o c			8 8	> C			ည ရ
Waterial If tem #1 7 7A 0 7B 0 Order Additions (not, "Material") 7 7A 0 17B 0 Deductions, (not, "Material") 7 7A 0 175.060 BB 137.060 Charle Additions, (not, "Material") 1 1A -137.060 BB 137.060 BB 137.060 Capital Coxes, Howards 1 1A 1A -175.060 BB 137.060 BB 137.060 Employee Benefit Plans. Paid Amounts 9 9A -175.060 BB 137.060 BB 137.060 </td <td>_</td> <td>,</td> <td></td>	_	,										
Material Hom#2	_	7		7.A	0			7.8	0			
Other Deductions (inct "Material")	-	7		47	0			7.8	0			20
Descrictions: From Accounting Income 8 A (137,060) -137,060 8B (137,060) 137,060 8B (137,060) 137,060 8B (137,060) 9B (138,00)	$\overline{}$	7		4	0			78	0		The state of the s	
Employee Brain San Januarian Control of Table 10	_	α		AA	137 060		137 DEC		137 080			
The standard of the standard	_	0		Y A	0				0			
Regulatory Adjustments 11 14 12,406 11 14 12,406 11 18 12,696 11 18 12,696 11 18 12,696 11 18 12,696 12 12,406 12 12,406	$\overline{}$	10		10A	0			10B	0	*		
Interest Expensed Incurred Interest Expensed Interest Int		Ξ		11A	0			_	0			110
CORPORATE INCOME TAX Rate 13		12		12A	-75,696		-75,690		75,696			
Variatian retiral fieth #2 13 13A 0 13B 0 0 0 0 0 0 0 0 0		42		130	C			13B	C			
Other Deductions (not "Material") 13A 0 13B 0 REGULATORY TAXABLE INCOME 0 368,736 -368,736 -368,736 (sum of above) CORPORATE INCOME TAX RATE 14 38,6200% 14A 0,0000% 38,6200% 14B Deemed % Taxable Income x Rate 0 142,406 -142,406 -142,406 -142,406 Miscellaneous Tax Credits 15 15A 0 142,406 -142,406 -142,406 Total Regulatory Income Tax 0 142,406 -142,406 -142,406 -142,406	-	13 5		13A	0			13B	00			130
REGULATORY TAXABLE INCOME 0 368,736 -386,200% -386,200%	\vdash	13		13A	0			13B	0			
(Sum of above) (Sum of above) CORPORATE INCOME TAX RATE 14 38.6200% 14A 0.0000% 38.6200% 14B 0.0000% 38.6200%	_		9		368.736		368.736	-	-368,736			
CORPORATE INCOME TAX RATE 14 38.6200% 14A 0.0000% 38.6200% 14B 0.0000% 38.6200% REGULATORY INCOME TAX 0 142,406 142,406 -142,406 -142,406 Taxable Income x Rate 15 15 0 142,406 0 Miscellaneous Tax Credits 15 15 0 142,406 -142,406 Total Regulatory Income Tax 0 142,406 -142,406 -142,406 -142,406	$\overline{}$											
Deemed % 14 38.6200% 14A 0.0000% 14B 0.0000% 38.6200° REGULATORY INCOME TAX Taxable Income x Rate 0 142,406 -142,406 -142,406 -142,406 Miscellaneous Tax Credits 15 15A 0 142,406 -142,406 -142,406 Total Regulatory Income Tax 0 142,406 -142,406 -142,406 -142,406	_											
REGULATORY INCOME TAX 0 142,406 -142,406 -142,406 Taxable Income x Rate 15 15 0 15 0 Miscellaneous Tax Credits 15 0 142,406 -142,406 142,406 Total Regulatory Income Tax 0 142,406 -142,406 142,406	_	4	38.6200%		0.0000%		38.6200%		%00000		38.6200%	14C
RECOULATINCOME TAX. TAZADE INCOME TAX. 142,406 -142,406 -142,406 -142,406 -142,406 -142,406 -142,406 -142,406 -142,406 -142,406 -142,406 -142,406								Ī				
Miscellaneous Tax Credits 15 15A 0 15B 0 Total Regulatory Income Tax 0 142,406 142,406 -142,406			0		142,406		142,406		-142,406			
Miscellaneous I ax Credits 15 15A 0 15B 0 Total Regulatory Income Tax 142,406 142,406 142,406 142,406				į				u.,				Ç
Total Regulatory Income Tax 0 142,406 -142,406		0		YG!	3			901				200
52	-		0	- Maria	142,406		142,406		-142,406			30
53	52											
	53											

Secretion as Pile Name Source Deferration Deferration Deferration Deferration Deferration Deferration Deferration Policy Pile	L	A	8	O	۵	ш	ш		Ξ	_	7	У	٦
The control of the	-		LINE	Initial	Source	Deferral	Deferral	Deferral	Source	MofF	MofF	MofF	Source
Table Capital TaxABLE Capital x Rate)	2	DEFERRAL/VARIANCE ACCOUNTS		Estimate		Account	Account	Account		Filing	Filing	Filing	
Control Carbon Pusiness - see Tab TAXREC) S	3				Foot-	Variance	Variance	Allowance	Foot-	Variance	Variance		Foot-
Caperior Caperior	4				note	9-0	Explanation		note	K-G	Explanation	(June)	note
Contact Cont	2			69	#	8		s	#	8		s	#
III NATIONALY INTEXES 16A 25,052,968 16B	55						- 0						
15 16 16 16 16 16 16 16	56												
December December	57					No. of Persons in Control of the Persons in				1		The same	
Base Case	58	_											
Less: Exemption 17 17A -5,000,000 17B 5,000,000 0 Deemed Taxable Capital x Rate) 18 0,3000% 18A -4,02250% 18B 0,2250% 18B 0,2250% 0,0750% 18B 0,2250% 0,0750% 18A 25,022,968 19B -25,052,968 19B -25,052,968 0 Less: Exemption 20 20A -16,000,000 20B 10,000,000 20B 10,000,000 20B 10,000,000 20B 10,000,000 20B 25,052,968 20B 20B	29		16		16A	25,052,968		25,052,968		-25,052,968		0	
Deemed Taxable Capital 18 0.3000% 18A 4.02250% 20.052,968 20.052,968 0.3000% Rate (3%) 18 0.3000% 18A -0.2250% 0.0750% 18B 0.2250% 0.33000% Net Amount (Taxable Capital x Rate) 19 150.40 150.40 -150.40 -150.40 0.33000% Base Less: Pennet Taxable Capital 20 20A -10000 000 -110.000 000 20B -10000 000 0.0063% 21B -150.61 0	9		17		17A	-5,000,000		-5,000,000		5,000,000		0	
Rate (3%) 18 0.3000% 18 0.2256% 18 0.0750% 18 0.02250% 19 0.000% 15,040 15,040 0 0 0 0 0 0 0 0 0	61			0		20,052,968		20,052,968	MAN.	-20,052,968		0	
Rate (3%) Rate (3%) 18 0.3000% 18A -0.256% 0.0750% 18B 0.2250% 0.3000% Net Amount (Taxable Capital x Rate) 19 15,040 15,040 -15,040 -15,040 0 Federal (LCT) 19 19A 25,052,988 25,052,988 19B 25,052,988 0 Base 20 20A 10,000,000 20B -16,052,988 0 0 Reate (225%) 21 0,2250% 21A -0,168% 0,000,000 20B -16,052,988 0 Reate (225%) 22 0 22A 4,130 -18 -16,052,988 0,000,000 0 Reate (225%) 22 0 22A 4,130 -4,130 -4,130 -4,130 -8,467 -8,467 -0,000,000 Net LCT 22 0 22A 4,130 -4,130 -4,130 -4,130 -4,130 -4,130 -2,32,007 -15,040 -15,040 -15,040 -15,040 -15,040 -15,040	62									The Control of the Co			
Net Amount (Taxable Capital x Rate) 19 15 040 16 040	63	Rate	18	0.3000%		-0.2250%		0.0750%		0.2250%		0.3000%	
Net Amount (Taxable Capital x Rate) 0 15,040 15,040 15,040 15,040 10 10 19 19 19 19 25,082,968 25,092,968 25,092,968 25,092,969 25,092,968	64												
Federal (LCT) Federal (LCT	65			0		15,040		15,040	ance i	-15,040		0	
Pederal (LCT)	99												
Base 19 18A 2.6052.968 18B -2.5052.968 18B -2.5052.968 19B -2.5052.968 10,000,000 0 0 0 0 -10,000,000 0 -10,000,000 0 -10,000,000 0 0 -10,000,000 0 0 -10,000,000 0 0 -10,000,000 0 0 -10,000,000 0 -10,000,000 0 0 -10,000,000 0 0 -10,000,000 0 0 -10,000,000 0 0 0 -10,000,000 0 0 -10,000,000 0 0 -10,000,000 0 0 -10,000,000 0 0 -10,000,000 0 0 -10,000,000 0 0 -10,000,000 0 0 -10,000,000 0	67												
Less: Exemption 20	68	Base	19		19A	25,052,968		25,052,968		-25,052,968		0	
Deemed Taxable Capital 15,052,968 15,052,968 -15,052,968 -15,052,968 0 Rate (225%) 21 0,2560% 21A -0,1688% 0,0563% 21B 0,1688% 0,02560% Gross Amount (Taxable Capital x Rate) 22 0 2A 4,130 -8,467 -8,467 0 0,02560% Net LCT 12 0 2A 4,130 2B 4,130 0 0,02560% III) INCLUSION IN RATES MARCH 2002 1 23 0 23A 232,007 23B -232,007 -38 -6,940 6,940 -6,940 -6,940 -6,940 -6,940 -6,940 -6,940 -6,940 -6,940 -6,940 -6,940 -6,940 -6,940 -15,040 <	69		20		20A	-10,000,000		-10,000,000	- 11	10,000,000		0	
Rate (225%)	20			0		15,052,968		15,052,968	terror in the second	-15,052,968		0	
Rate (125%) 21 0.2550% 21A	71												
Gross Amount (Taxable Capital x Rate) 0 8.467 8.467 -8,467 -8,467 -8,467 0 Less: Federal Surfax 22 4,130 22B 4,130 22B 4,130 0 Net LCT 0 4,337 4,337 4,337 0	72	Rate	21	0.2250%	1	-0.1688%		0.0563%		0.1688%		0.2250%	
State Stat	2 2	_	Ī	c		0 467		L37 0		0 467			
Net LCT	7 7		33		22	0,407		4 130		4 130			Hĩ.
III) INCLUSION IN RATES MARCH 2002	78		47		1	201,1				6		S S S S S S S S S S S S S S S S S S S	1.
III) INCLUSION IN RATES MARCH 2002 23A 23Z,007 23B -232,007 24B -6,940 25B -6,940 25B -15,040 25B -15,040 25B 253,987 253,98	1	_		0		4,337		4,337		4,337		0,	
III) INCLUSION IN RATES MARCH 2002 234	2 8												
IncomeTax (grossed-up) 23 0 23A 23A,007 23B -232,007 LCT (grossed-up) 24 0 24A 6,940 6,940 24B -6,940 Ontario Capital Tax 25 0 25A 15,040 15,040 -15,040 Total S. 93 PILs Rate Adjustment 0 253,987 -253,987 -253,987	88	III) INCLUSION IN RATES MARCH 2002				10 mm							
LCT (grossed-up) LCT (grossed-up) Ontario Capital Tax Total S. 93 PILs Rate Adjustment 24 0 25A 6.940 6.940 6.940 15.040 25B -6.940 15.040 25B -15.040 15.040 25B -15.040	5 6	Income Tay (grossed-in)	23	0		232 007		232 007		-232 007			2/0
Ontario Capital Tax 25 0 25A 15,040 25B -15,040 Total S. 93 PILs Rate Adjustment 0 253,987 -253,987 -253,987	83	I CT (grossed-up)	24			6.940		6.940		-6.940			n/a
Total S. 93 PILs Rate Adjustment 0 253,987 253,987	8		25	0		15,040		15,040		-15,040			n/a
Total S. 93 PILs Rate Adjustment 0 253,987 253,987	85											The state of the s	
Total S. 93 PILs Rate Adjustment 0 253,987 253,987	86											CHANGE HE	
88	87	Total S. 93 PILs Rate Adjustment		0		253,987		253,987	101	-253,987			
68	88												
	89												

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7	SECTION 93 PILS TAX GROSS-UP "SIMPIL"	LINE	Initial	Source	Deferral	Deferral	Deferral	Source	M of F	M of F	M of F	Source
2	DEFERRAL/VARIANCE ACCOUNTS		Estimate		Account	Account	Account		Filing	Filing	Filing	
	TAX CALCULATIONS (TAXCALC)			Foot-	Variance	Variance	Allowance	Foot-	Variance	Variance		Foot-
4	("Wires-only" business - see Tab TAXREC)			note	ဝ	Explanation		note	K-G	Explanation	(June)	note
2			s	*	s		69	#:	S		(/)	#1:
91												
82									DR / (CR)			
	Amount in M of F Filing Variance (Column I) that											
	the Board orders added/subtracted from rates											
95	EBIT	-								No true-up		
	Depreciation &Amortization	2								No true-up		
$\overline{}$	Federal Large Corporation Tax	ო								No true-up		
98	Employee Benefit Plans - Accrued, Not Paid	4							0	True-up		
66	Change in Tax Reserves	2							0	0 True-up		
100	100 Regulatory Adjustments	9							0	True-up		
101	Other additions "Material" Item #1	7							0	0 True-up		
102	Other additions "Material" Item #2								0	0 True-up		
103	Other additions (not "Material")	7								No true-up		
104	Capital Cost Allowance	∞								No true-up		
105	Employee Benefit Plans - Paid Amounts	თ							0	0 True-up		
106		10							0	True-up		
107	Regulatory Adjustments	Ξ							0	0 True-up		
108	108 Interest Adjustment for Tax Purposes (Cell 1135)	12							0	0 True-up-See Below		
109	Other deductions "Material" Item #1	13							0	True-up		
9	Other deductions "Material" Item #2	13							0	True-up		
=	Other deductions (not "Material")	13						ľ		No true-up		
7	112 Miscellaneous Lax Credits	22							0	dn-enb		
2 3												
41.4	114 Deferral Account Entry (Positive Entry=Debit)								0	dn-anır		
2												
116	di aliet ao noiteoe taaeatni w											
118	A) INTERCEDIT CONTROL OF THE CONTROL											
119	119 Variance Caused By Phase-in of Deemed Debt											
120												
121	Total deemed interest (REGINFO CELL D49)	2							-908,170			
122	Interest phased-in - (Deferral Account Cell G34)								269'92			
123												
124	-								-832,474			
125	according to Rate Handbook											
9												
100	Attended to the post of the po											
129	Above Deemed Deot per Nate Handbook)											
130	130 Interest deducted on MoF filing (Cell K34)								0			
	Total deemed interest (REGINFO CELL D49)								908,170			
132												
133	Variance caused by excess debt								908,170			
	Interest Adjustment for Tay Purposes Cell 1108								C	O True-up Amount- Used above	- Shove	
138	meres Adjustment for Tax I alposes									and an	2	
	Total Interest Variance (Cell 134)								75,696			

2 TAX RETURN RECONCILIATION (TAXREC) Corporate Eliminations T	s-only fax turn	Foot- note #
TAX RETURN RECONCILIATION (TAXREC) Corporate Eliminations T (for "wires-only" business - see s. 72 OEB Act) Return Halton Hills Hydro Inc. December 31, 2001 Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K Corporate Eliminations T Tax Re Return Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K Column K	ax	note
4 Return 5 6 7 Halton Hills Hydro Inc. 8 December 31, 2001 9 10 Note: Carry forward Wires-only Data to Tab "TAXCALC" 11 Column K 12 I) CORPORATE INCOME TAXES	turn	note
4 Return 5 6 7 Halton Hills Hydro Inc. 8 December 31, 2001 9 10 Note: Carry forward Wires-only Data to Tab "TAXCALC" 11 Column K 12 I) CORPORATE INCOME TAXES		
6 7 Halton Hills Hydro Inc. 8 December 31, 2001 9 10 Note: Carry forward Wires-only Data to Tab "TAXCALC" 11 Column K 12 I) CORPORATE INCOME TAXES		#
7 Halton Hills Hydro Inc. 8 December 31, 2001 9 10 Note: Carry forward Wires-only Data to Tab "TAXCALC" 11 Column K 12 I) CORPORATE INCOME TAXES		
8 December 31, 2001 9 10 Note: Carry forward Wires-only Data to Tab "TAXCALC" 11 Column K 12 I) CORPORATE INCOME TAXES		
9 10 Note: Carry forward Wires-only Data to Tab "TAXCALC" 11 Column K 12 I) CORPORATE INCOME TAXES		
10 Note: Carry forward Wires-only Data to Tab "TAXCALC" 11 Column K 12 I) CORPORATE INCOME TAXES		
11 Column K 12 I) CORPORATE INCOME TAXES		
12 I) CORPORATE INCOME TAXES		
13 (Input unconsolidated financial statement data		
14 submitted with tax returns as applicable)		-
15 Revenue 1	0	
16 Other Income 2	0	
17 Expenses	28 = 1	
18 Administration 3	0	
19 Distribution 4	0	
20 Operations and Maintenance 5 21 Depreciation and Amortization 6	0	
21 Depreciation and Amortization 6 22 Municipal Property Taxes 7	0	
23 Ontario Capital Tax 8	0	
24 Federal LCT 9	0	
25 Pederal LOT	U	
26 Net Income Before Interest & Income Taxes EBIT 10 0 0	0	1C
27 Ret income before interest & income raxes EBH 10 0 0	0	10
28 BOOK TO TAX ADDITIONS:		
29 Depreciation & Amortization 0 0	0	2C
30 Federal Large Corporation Tax 0 0	0	3C
31 Employee benefit plans-accrued, not paid	0	4C
32 Change in tax reserves	0	5C
33 Regulatory adjustments	0	6C
34 Other additions "Material" Item #1	0	7C
35 Other additions "Material" Item #2	0	7C
36	0	
37 Other Additions: (From T2 S1)		
38 Recapture of CCA	0	7C
39 Non-deductible expenses:	0	7C
40 Club dues and fees	0	7C
41 Meals and entertainment	0	7C
42 Automobile	0	7C
43 Life insurance premiums	0	7C 7C
44 Company pension plans 45 Advertising	0	7C
45 Advertising 46 Interest and penalties on taxes	0	7C
47 Legal and accounting fees	0	7C
48 Debt issue expenses	0	7C
49 Capital items expensed	0	7C
50 All crown charges, royalties, rentals	0	7C
51 Deemed dividend income	0	7C
52 Deemed interest on loans to non-residents	0	7C
53 Deemed interest received	0	7C
54 Development expenses claimed	0	7C
55 Dividend stop-loss adjustments	0	7C
56 Dividends credited to investment account	0	7C
57 Investment tax credit	0	7C
58 Financing fees deducted in books	0	7C
59 Foreign accrual property income	0	7C
60 Foreign affiliate property income	0	7C
61		

	А	В	С	D	E	F
	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
62	Federal reassessment amounts				0	
	Gain on settlement of debt				0	
	Interest paid on income debentures				0	9
	Gain on sale of eligible capital property				0	
	Loss on disposal of assets				0	2
	Reserves from financial statements- end of year Holdbacks				0	
	Taxable capital gains		-		0	9
	Political donations- book				0	3
71	Charitable donations- book				0	5
	Capitalized interest				0	0
	Deferred and prepaid- beginning of year				0	1
74	Tax reserves deducted in prior year				0	
	Loss from joint ventures				0	
	Loss from subsidiaries				0	
77	Limited partnership losses				0	7C
78	Sales tax assessments				0	7C
79	Share issue expenses				0	
80	Write-down of capital property				0	7C
81					0	
82	Other Additions:				0	
83					0	
84	Total Other Additions		0	0	0	7C
85	TO A A A POP	_		0		
86 87	Total Additions		0	0	elle illigio con O	
	BOOK TO TAX DEDUCTIONS:					-
89	Capital cost allowance				0	8C
90	Employee benefit plans-paid amounts				0	E
91	Items capitalized for regulatory purposes				0	0
	Regulatory adjustments				0	0
93	Interest expense incurred				0	
94	Other deductions "Material" Item #1				0	
95	Other deductions "Material" Item #2				0	13C
96			0	0	0	
97	Other deductions: (From T2 S1)					
	Grossed up Part VI.1 tax (preferred shares)				C	D
99						
	Amortization of eligible capital expenditures				C	
100	Amortization of eligible capital expenditures Amortization of debt and equity issue cost				0	13C
100 101	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period					13C 13C
100 101 102	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans				0 0 0	13C 13C 13C
100 101 102 103	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans					13C 13C 13C 13C
100 101 102 103 104	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries					13C 13C 13C 13C 13C 13C
100 101 102 103 104 105	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries Income from joint ventures					13C 13C 13C 13C 13C 13C 13C
100 101 102 103 104 105 106	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries Income from joint ventures Gain on disposal of assets					13C 13C 13C 13C 13C 13C 13C 13C
100 101 102 103 104 105 106	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries Income from joint ventures Gain on disposal of assets Terminal loss					13C 13C 13C 13C 13C 13C 13C 13C 13C
100 101 102 103 104 105 106 107	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries Income from joint ventures Gain on disposal of assets Terminal loss Cumulative eligible capital deduction					13C 13C 13C 13C 13C 13C 13C 13C 13C 13C
100 101 102 103 104 105 106 107 108 109	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries Income from joint ventures Gain on disposal of assets Terminal loss Cumulative eligible capital deduction Allowable business investment loss					13C 13C 13C 13C 13C 13C 13C 13C 13C 13C
100 101 102 103 104 105 106 107 108 109 110	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries Income from joint ventures Gain on disposal of assets Terminal loss Cumulative eligible capital deduction Allowable business investment loss Holdbacks					13C 13C 13C 13C 13C 13C 13C 13C 13C 13C
100 101 102 103 104 105 106 107 108 109 110	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries Income from joint ventures Gain on disposal of assets Terminal loss Cumulative eligible capital deduction Allowable business investment loss Holdbacks Deferred and prepaids- end of year					13C 13C 13C 13C 13C 13C 13C 13C 13C 13C
100 101 102 103 104 105 106 107 108 109 110 111 112	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries Income from joint ventures Gain on disposal of assets Terminal loss Cumulative eligible capital deduction Allowable business investment loss Holdbacks Deferred and prepaids- end of year Tax reserves claimed in current year					13C 13C 13C 13C 13C 13C 13C 13C 13C 13C
100 101 102 103 104 105 106 107 108 109 110 111 112 113	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries Income from joint ventures Gain on disposal of assets Terminal loss Cumulative eligible capital deduction Allowable business investment loss Holdbacks Deferred and prepaids- end of year Tax reserves claimed in current year Reserves from F/S- beginning of year					13C 13C 13C 13C 13C 13C 13C 13C 13C 13C
100 101 102 103 104 105 106 107 108 109 110 111 112 113 114	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries Income from joint ventures Gain on disposal of assets Terminal loss Cumulative eligible capital deduction Allowable business investment loss Holdbacks Deferred and prepaids- end of year Tax reserves claimed in current year Reserves from F/S- beginning of year Patronage dividends					13C 13C 13C 13C 13C 13C 13C 13C 13C 13C
100 101 102 103 104 105 106 107 108 109 110 111 112 113 114 115	Amortization of eligible capital expenditures Amortization of debt and equity issue cost Loss carryback to prior period Contributions to deferred income plans Contributions to pension plans Income from subsidiaries Income from joint ventures Gain on disposal of assets Terminal loss Cumulative eligible capital deduction Allowable business investment loss Holdbacks Deferred and prepaids- end of year Tax reserves claimed in current year Reserves from F/S- beginning of year					13C 13C 13C 13C 13C 13C 13C 13C 13C 13C

	Α	В	С	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
117						
118						
119	Exempt income under section 81				0	13C
120	Contributions to environmental trust				0	13C
121	Other income from financial statements				Manual C	13C
122	Charitable donations - tax basis				0	
123	Gifts to Canada or a province				0	13C
124	Cultural gifts				0	
	Ecological gifts				0	
126	Taxable dividends s. 112, 113 or ss. 138(6)				0	2
127	Non-capital losses-preceding years				0	
128	Net-capital losses- preceding years				C	13C
	Limited partnership losses- preceding years				0	Ø
	Other deductions:				0	13C
131					0	
132						100
133	Total Other Deductions		0	0	Company of the Compan	13C
134						
135			0	0	C	9
136						
137						
138	TAXABLE INCOME		C	0	ini kuliya ya E C	
139						
140						
141						

	A	ТВТ	С	D	E	F
1	SECTION 93 PILS TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
	TAX RETURN RECONCILIATION (TAXREC)	LIIVE	Corporate	Eliminations	Tax	Ocuroc
3	(for "wires-only" business - see s. 72 OEB Act)		Tax	Limitations	Return	Foot-
4	(101 WIICS-0111) DUSITIOSS - SEC S. 12 OLD ACT	-	Return		Netuiii	note
5		1-1	rtetarri			#
6		+ +				Tr .
142					5	
143		-				
	ONTARIO GARITAL TAV					
144	ONTARIO CAPITAL TAX	-				
	DAID UD CADITAL	-				-
146	PAID-UP CAPITAL	-				
	Daid on anaital atable	-			0	
	Paid-up capital stock	-			0	
	Retained earnings (if deficit, deduct)	-			0	
	Capital and other surplus excluding				0	
151		-			0	
	Loans and advances				0	
	Bank loans				0	
	Bankers acceptances				0	
	Bonds and debentures payable				0	
	Mortgages payeable				0	
	Lien notes payable				0	
	Deferred credits				0	
	Contingent, investment, inventory and				0	
160					0	
	Other reserves not allowed as deductions				0	
	Share of partnership(s), joint venture(s)				0	
163					0	
164			0	0	0	
	Subtract:					
	Amounts deducted for income tax				0	
167	purposes in excess of amounts booked				0	
	Deductible R&D expenditures and ONTTI				0	
169	costs deferred for income tax				0	
170					0	
171	Total (Net) Paid-up Capital		0		0	
172						
173	ELIGIBLE INVESTMENTS					
174						
	Bonds, lien notes, interest coupons				0	
	Mortgages due from other corporations				0	
177	Shares in other corporations				0	
178	Loans and advances to unrelated corporations				0	
	Eligible loans and advances to related				0	
180	corporations				0	
	Share of partnership(s) or joint venture(s)				0	
182	eligible investments				0	}
183						
184			0	0	0	
185			-			
186						

	Α	ТВТ	С	D	Е	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
187						
188	TOTAL ASSETS					
189						
	Total assets per balance sheet				0	-
	Mortgages or other liabilities deducted from	-			0	
192	assets	-			0	
193	Share of partnership(s)/ joint venture(s) total	-			0	
	assets Subtract: Investment in partnership(s)/joint	-			0	
196		-			0	
197	venture(s)					
	Total assets as adjusted	1	0	0	0	
199						
	Add: (if deducted from assets)					
201	Contingent, investment, inventory and				0	
202	similar reserves				0	
203	Other reserves not allowed as deductions				0	
204	Subtract:				0	
205	Amounts deducted for income tax				0	
206					0	
207	Deductible R&D expenditures and ONTTI				0	
208	costs deferred for income tax				0	
	Subtract: Appraisal surplus if booked				0	
	Add or subtract: Other adjustments		1	1	2	
211	-	-		1		
212 213	Total Assets			III Sent MO	2	
	Investment Allowance	-				
215	investment Allowance					
	(Total Eligible Investments / Total Assets) x					
217	Net paid-up capital		0	0	0	
218	The para ap capital	-				
	Taxable Capital					
220		-				
221	Net paid-up capital		0	0	0	
222	Subtract: Investment Allowance		0	0 0	0	
223			SI THE THE		0	
224	Taxable Capital		0	0	0	
225						
226	Capital Tax Calculation					
227		-			 	100
	Taxable capital	-	0	0	0	16C
229	Deduction from touchle conitation to 05 000 000					170
230	Deduction from taxable capital up to \$5,000,000	-			0	17C
232	Not Toyable Capital	-	^		0	
232	Net Taxable Capital	-	0		The state of the s	
234	Rate 0.3%		0.3000%	0.3000%	0.3000%	18C
235	Nate 0.370		0.3000%	0.3000%	0.3000%	100
	Days in taxation year		365	365	365	
237	Divide days by 365		1.0000	1.0000	1.0000	
238			1.0000	1.0000	1.0000	
239			0	0	0	1
240			0			
1-10					1	

	Α	ТвТ	С	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
	TAX RETURN RECONCILIATION (TAXREC)	7778800000	Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax	CONTRACTOR OF THE PROPERTY OF	Return	Foot-
4	,		Return			note
5						#
6						
241						
242						
	LARGE CORPORATION TAX					
244	artitoa controllaritim					
	CAPITAL	1				
246	77					
	ADD:					
	Reserves that have not been deducted in					
	computing income for the year under Part I				0	
	Capital stock	1 1			0	
	Retained earnings				0	
	Contributed surplus				0	
	Any other surpluses				0	
	Deferred unrealized foreign exchange gains				0	
	All loans and advances to the corporation				0	
	All indebtedness- bonds, debentures, notes,				0	
	mortgages, bankers acceptances, or similar				0	
	obligations				0	
	Any dividends declared but not paid				0	
	All other indebtedness outstanding for more				0	
261	than 365 days	1			0	
262	*					
263	Subtotal		0	0	0	
264						
265	DEDUCT:					
266	Deferred tax debit balance				0	
	Any deficit deducted in computing				0	
268	shareholders' equity				0	
269	Any patronage dividends 135(1) deducted in				0	
270	computing income under Part I included in				0	
271	amounts above				0	
	Deferred unrealized foreign exchange losses				0	
273					Bremskie sins	
274	Subtotal		0	0	0	
275						
276	Capital for the year			0	0	
277						
278	INVESTMENT ALLOWANCE					
279						
280	Shares in another corporation				0	
	Loan or advance to another corporation				0	
	Bond, debenture, note, mortgage, or				0	
	similar obligation of another corporation				0	
	Long term debt of financial institution				0	
	Dividend receivable from another corporation				0	
	Debts of corporate partnerships that were not				0	
287	exempt from tax under Part I.3				0	1
288	Interest in a partnership				0	9
289			15			
290	Investment Allowance		0	0	0	1
291						

	A	В	С	D	E	F
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	Source
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	Foot-
4			Return			note
5						#
6						
292						
293	TAXABLE CAPITAL					
294						
295	Capital for the year		0	0	0	
296						
	Deduct: Investment allowance		0	0	0	
298						
299			0	0	0	19C
300						
	Deduct: Capital Deduction \$10,000,000				0	20C
302						
303	Taxable Capital		0	0	0	
304						
	Rate .225%		0.22500%	0.22500%	0.22500%	21C
306						
	Days in year		365	365	365	
	Divide days by 365		1.0000	1.0000	1.0000	
309						
	Gross Part I.3 Tax LCT		0	0	0	
311				1 12222		
	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
313						
	Federal Surtax = Taxable Income x Surtax Rate		0	0	0	
315					0	
	Net Part I.3 Tax LCT Payable		0	0	0	
	(If surtax is greater than Gross LCT, then zero)					
318						
319						
320						

	A	В	С	D
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"			Version XX.xx
	REGULATORY INFORMATION (REGINFO)			
	Utility Name: Halton Hills Hydro Inc.			
	Reporting period: December 31, 2002			
5	neporting portou. Bosonibor or, 2002			
	Days in reporting period:	365	days	
	Total days in the calendar year:	365	days	
8	Total days in the calcindar year.	000	dayo	
	DAOKODOUND			
	BACKGROUND			
_	Has the utility reviewed section 149(1) ITA to			
11	confirm that it is not subject to regular corporate	.,	V//N1	
12	tax (and therefore subject to PILs)?	Υ	Y/N	
13				
	Was the utility recently acquired by Hydro One			
15	and now subject to s.89 & 90 PILs?	N	Y/N	
16				
17	Is the utility a non-profit corporation?	N	Y/N	
18	(If the utility is a non-profit corporation, please contact the Rates Manager at OEB)			
19	All managements are a second and a second an			
	Are the Capital Tax & Large Corporations Tax Exemptions shared among the corporate	N	Y/N	
20	group?	1776.5	175918-00	
	Please identify the % used to allocate the exemption in Cell C63 in the TAXCALC		100%	
21	spreadsheet.		10070	
22	opioduoi iooti			
	Accounting Year End		Date	31-Dec
24	Accounting rear End		Date	31-Dec
_	MARRING TAY CALCUL ATIONS			
	MARR NO TAX CALCULATIONS			
	SHEET #7 FINAL RUD MODEL DATA			
	(FROM 1999 FINANCIAL STATEMENTS)			
	USE BOARD-APPROVED AMOUNTS			
29				05.050.000
	Rate base (wires-only)			25,052,968
31				E0 000/
32	Common Equity Ratio (CER)			50.00%
33				
	1-CER			50.00%
35				
36	Target Return On Equity			9.88%
37				
	Debt rate			7.25%
39				
40	Market Adjusted Revenue Requirement			2,145,787
41				
	1999 return from RUD Sheet #7			0
43				
44	Total Incremental revenue			2,145,787
45	Input Board-approved dollar amounts phased-in			
46				
47	Amount allowed in 2001, Year 1			715,262
48	Amount allowed in 2002, Year 2			715,262
49	Amount allowed in 2003, Year 3 and forward (will be zero due to Bill 210)			0
50	The state of the s			
51	Equity			12,526,484
52				
	Return at target ROE			1,237,617
54	encode and the second period of Meson and an interference			
55	Debt			12,526,484
56				
57	Deemed interest amount in EBIT			908,170
58				
59	Phase-in of interest - Year 1 (2001)			302,723
_	((D38+D43)/D36)*D54			
61	Phase-in of interest - Year 2 (2002)			605,447
	((D38+D43+D44)/D36)*D54			500,717
63	Phase-in of interest - Year 3 (2003) and forward			605,447
64	((D38+D43+D44)/D36)*D54 (due to Bill 210)			000,+17
65	((Loco) Distribution Dot (Coc to Dill 210)			
66				
67		-		
	PII MODEL 2003 var2 2			

2 D 3 T 4 ("	A SECTION 93 PILS TAX GROSS-UP "SIMPIL"	В	C	D	E.	F	G	H.			K	
3 T.		ITEM	Initial						M of F	J M of F	M of F	
4 ("	DEFERRAL/VARIANCE ACCOUNTS		Estimate						Filing	Filing	Filing	
	'AX CALCULATIONS (TAXCALC) 'Wires-only" business - see Tab TAXREC)			-	-	-		-	Variance K-C	Variance Explanation	(June)	_
5	Wiles-Only Dasilious See Tab TrakiteOy						-		KO	Explanation	Version XX.xx	
6			\$						\$		\$	
	Itility Name: Halton Hills Hydro Inc.					=						
	Reporting period: December 31, 2002 Days in reporting period:	365	dour	-	-	-		-			Column Brought	-
	otal days in the calendar year:		days days	-		-					From	\vdash
11	out any on the salahadi yesir	0.00	aujo								TAXREC	
12												
13	CORROBATE INCOME TAYES					_	_					_
	CORPORATE INCOME TAXES Regulatory Net Income	1	1,430,596		\vdash	-		-	1,104,835		2,535,431	\vdash
16	egulatory Net Income	- 1.	1,400,000						1,104,000		2,000,401	
	BOOK TO TAX ADJUSTMENTS											
18							_					
	Additions: Depreciation & Amortization	2	1,059,367		-	-	-	_	709,026		1,768,393	-
	Employee Benefit Plans - Accrued, Not Paid	3	1,039,367						36,264		36,264	
	ax reserves deducted in prior year	4	Ö						0		0	
	Reserves from financial statements-end of year	4	0						0		0	
	Regulatory Adjustments Other Additions (See Tab entitled "TAXREC")	5	151,437			_		-	-151,437		0	
	"Material" Items from "TAXREC" worksheet	6	0	-	-1	-			0		0	
27	Other Additions (not "Material") "TAXREC"	6	0						31,237		31,237	
	"Material Items from "TAXREC 2" worksheet	6	0						ō		0	
29 30	Other Additions (not "Material") "TAXREC 2"	6	0			_	_	_	0		0	-
	Deductions:					-	-					
32 C	Capital Cost Allowance and CEC	7	1,072,272						627,486		1,699,758	
	mployee Benefit Plans - Paid Amounts	8	0						18,743		18,743	
	tems Capitalized for Regulatory Purposes Regulatory Adjustments	9	55,617						-55,617		0	-
	nterest Expense Deemed/ Incurred	11	605,477	7-			-	-	202,670		808,147	
	ax reserves claimed in current year	4	0 0						0		0	
	Reserves from F/S beginning of year	4	0						0		0	-
	Contributions to deferred income plans	3	0				_	_	0		0	-
	Contributions to pension plans nterest capitalized for accounting but deducted for tax	3 11	0			_			0		0	-
	Other Deductions (See Tab entitled "TAXREC")					- T			Market State			_
	"Material" Items from "TAXREC" worksheet	12	0						170,052		170.052	
	Other Deductions (not "Material") "TAXREC"	12	0					-	1,631		1,631	_
	Material Items from "TAXREC 2" worksheet Other Deductions (not "Material") "TAXREC 2"	12 12	0	-		_	-	-	0		0	\vdash
47	One bedesions for material / mortee 2	,,,	· ·	2 2 2 2	_	-					O.	
	REGULATORY TAXABLE INCOME/ (LOSSES)		908,034						2,694,890		1,672,994	
49	CORPORATE INCOME TAX RATE					_						
	Deemed %	13	38.62%				-		0.0000%		38.62%	_
52	CONTROL TO	- 10	00.0270						0.000070		00.0270	_
	REGULATORY INCOME TAX		350,683						295,428		646,110	
54 T	axable Income x Rate					_						
	Aiscellaneous Tax Credits	14	0			-			0		0	-
57						-						
	Total Regulatory Income Tax		350,683						295,428		646,110	
59												
60 ta	o determine the exemptions for capital tax and large corporations	l									1	
	Please identify the percentage used in the allocation of the	-				-	-					
e	exemption in cell C61. Please explain the basis of the allocation if		100%									
	he percentage is other than 100%.											_
62 63 II) CAPITAL TAXES			-	-		-					_
64	A. T. C.											
	Ontario											
66 B		15	25,052,968		-		_		6,372,944		31,425,911	
	ess: Exemption Deemed Taxable Capital	16	5,000,000 20,052,968	-	\vdash		_		-331,108 6,041,836		4,668,892 26,757,019	
69			20,002,000						0,041,000		20,107,019	
70 F	Rate (.3%)	17	0.3000%						0.0000%		0.3000%	
71 N	Int Amount /Toyohlo Conital y Data		00.45	_				_	-004:4		00.0-	
72 N	Net Amount (Taxable Capital x Rate)		60,159	-	\vdash	\vdash	-		20,112		80,271	
	Federal (LCT)											
75 B	Base	18	25,052,968						5,579,510		30,632,478	
	ess: Exemption	19	10,000,000						0		10,000,000	
77 C	Deemed Taxable Capital		15,052,968	-			_		5,579,510		20,632,478	-
	Rate (.225%)	20	0.2250%				_		0.0000%		0.2250%	
80			× ×									
	Gross Amount (Taxable Capital x Rate)	^*	33,869						12,554		46,423	
82 L	ess: Federal Surtax	21	10,170	_	\vdash		-		8,568		18,738	-
	Net LCT		23.699						21,121		27,686	
85	F-1											

Description The Communication The Commun		К	J	T T	Н	FG	DE	С	В	A	
Number	F		M of F					Initial		SECTION 93 PILs TAX GROSS-UP "SIMPIL"	
Comparison Com	ig _	Filing					_	Estimate			
Section 2015 Sect	e)	(June)			\vdash		_				
Description Company		Version XX.xx									5
Bit	\rightarrow	\$		\$	\vdash			\$		WANGE DISCOURS DATES	_
Description										III) INCLUSION IN HATES	
December Tax (proceedup) 22 561,096 20 17 17 17 17 17 17 17 1								37.50%		ncome Tax Rate used for gross- up (exclude surtax)	88
23 37919	-				\vdash			561 000	20	Jacoma Tay (gracead up)	
Description Comparing Co	_				\vdash		_				
											92
25 1989,170 1989, 1989	-				\vdash	_	_				
Section Sect					\vdash		-	659,170	25	Total S. 93 PILs Rate Adjustment	
Section Part Part								000,110			96
DRIVINEE TRUE-UPS (post June 2009)					\perp						_
DRI/CRI Comprehense DRI/CRI	-				\vdash					IV) FUTURE TRUE-UPS (post June 2002)	
100 100				DR/(CR)							
103 Tax reserves deducted in pror year											
Total Pepulation National asteriements end of year											
105 Regulation Augustements				0						Reserves from financial statements-end of year	104
To Compare doubtion * Valetina* Plans = TAXFEC 2* 6										Regulatory Adjustments	105
100 Employee Benefit Plans - Patd Amounts					+-1		-1				
TIO Burn Capitalized for Regulatory Purposes 0 0 5.55,677 112 Interest Adjustment for tax purposes (See Below - cell IZ06) 110 112 Interest Adjustment for tax purposes (See Below - cell IZ06) 111 111 0 0 0 111 11				0							108
111 Regulation Adjustment for tax purposes See Below - cell 1208) 11 11 0 0 113 Tax reserves claimed in current year 4 0 0 1115 Contributions to destreat income plans 3 0 0 0 1115 Contributions to destreat income plans 3 0 0 0 1115 Contributions to destreat income plans 3 0 0 0 1115 Contributions to destreat income plans 3 0 0 0 0 1115 Contributions to destreat income plans 3 0 0 0 0 0 0 0 0 0											
112 Interest Adjustment for tax purposes (See Below - cell 1206) 11							_				
113 Tax reserves claimed in current year										Interest Adjustment for tax purposes (See Below - cell I206)	112
115 Contributions to deterred income plans 3										Tax reserves claimed in current year	113
116 Contributions to persist plans 3					-	-	_				
T18 Ditar deductions "Material" Item "TAXREC 2" 12											
1790 Total TRUE-UPS before tax effect 26				170,052						Other deductions "Material" Items "TAXREC"	117
120 Total TRUE-UPS before tax effect 28				0	-				12	Other deductions "Material" Item "TAXREC 2"	
122 Income Tax Rate (excluding surtax)				-248,351	-				26	Total TRUE-UPS before tax effect	
1224 Income Tax Effect on True-up adjustments											121
124 Income Tax Effect on True-up adjustments				37,50%	x		-			Income Tax Rate (excluding surtax)	
126 Less: Miscellaneous Tax Credits				-93,132	=					Income Tax Effect on True-up adjustments	
128 Total Income Tax on True-ups											125
128 Total Income Tax on True-ups 93,132 129 130 Income Tax Rate used for gross-up (exclude surtax) 37,50% 131 132 TRUE-UP VARIANCE (149,011) 133 IV b) Calculation of the Deferral Account Variance (149,011) 136 Sestimate column				0	-				14	Less: Miscellaneous Tax Credits	
130 130 131 132 132 133 134 135 134 135 135 136				-93,132						Total Income Tax on True-ups	
133 TRUE-UP VARIANCE											
133 174 175				37.50%	-	-				Income Tax Rate used for gross-up (exclude surtax)	
134 135 136				(149,011)						TRUE-UP VARIANCE	
135								-			
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial 136 estimate column)	-				-		-			IV b) Calculation of the Deferral Account Variance	
138 REVISED CORPORATE INCOME TAX RATE				iewacima waga	1					REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial	100
REVISED CORPORATE INCOME TAX RATE				908,034	=					estimate column)	
139				30 600/	v					REVISED CORPORATE INCOME TAY RATE	
TAO REVISED REGULATORY INCOME TAX				30.02/6	^						139
142 Less: Revised Miscellaneous Tax Credits - 0				350,683	=					REVISED REGULATORY INCOME TAX	140
143				0	+					less: Revised Miscellaneous Tay Credits	
144 Total Revised Regulatory Income Tax											143
Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell				350,683	=					Total Revised Regulatory Income Tax	
146 C58 - 350,683				Name of the sale						Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell	145
148 Regulatory Income Tax Variance				350,683							
149 150 Ontario Capital Tax				Self-less self-l						Decidate Issaels Toy Veri	
150 Ontario Capital Tax				0	-		-			педшаюту іпсотпе тах уапапсе	
152 Less: Exemption - 5,000,000 153 Revised deemed taxable capital = 20,052,968 154 155 Rate (as a result of legislative changes) x 0,3000% 156 157 Revised Ontario Capital Tax = 60,159 Less: Ontario Capital Tax reported in the initial estimate column (Cell 158 C72) - 60,159 159 Regulatory Ontario Capital Tax Variance = 0 160 161 Federal LCT 162 Base 25,052,968 163 Less: Exemption - 10,000,000											150
153 Revised deemed taxable capital											
154					-						
156										*/	154
157 Revised Ontario Capital Tax				0.3000%	X					Rate (as a result of legislative changes)	
Less: Ontario Capital Tax reported in the initial estimate column (Cell				60,159	-					Revised Ontario Capital Tax	
159 Regulatory Ontario Capital Tax Variance ■ 0 160 ■ 0 161 Federal LCT ■ 25,052,968 162 Base ■ 25,052,968 163 Less: Exemption ■ 10,000,000										Less: Ontario Capital Tax reported in the initial estimate column (Cell	
160 161 Federal LCT 162 Base 163 Less: Exemption 25,052,968 10,000,000					*		-				
161 Federal LCT 162 Base 25,052,968 163 Less: Exemption - 10,000,000		-		0	= /		-			negulatory Ontario Capital Tax variance	
163 Less: Exemption - 10,000,000											161
1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				15,052,968	=						
165											

_							_					
\vdash	A	В	С	D	. E.	F	G	Н	I	J	K	L
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	ITEM	Initial		_			_	MofF	M of F	M of F	
2	DEFERRAL/VARIANCE ACCOUNTS		Estimate	\perp					Filing	Filing	Filing	
	TAX CALCULATIONS (TAXCALC)								Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)								K-C	Explanation	(June)	
5											Version XX.xx	
6			\$						\$		\$	
166	Rate (as a result of legislative changes)			T					0.2250%			
167	The state of the s											
168	Gross Amount								33,869			
169	Less: Federal surtax								10,170			
170	Revised Net LCT							=	23,699			
171	TO THE PARTY OF TH											
172	Less: Federal LCT reported in the initial estimate column (Cell C84)								23,699			
173	Regulatory Federal LCT Variance							=	0			
174												-
175	Income Tax Rate used for gross-up (exclude surtax)								37.50%			
176												
177	Income Tax (grossed-up)							+	0			
178	LCT (grossed-up)							+	0			
179	Ontario Capital Tax							+	0			
180				1								-
181	DEFERRAL ACCOUNT VARIANCE							=	0			-
182												\vdash
183	TRUE-UP VARIANCE (from cell I132)							+	(149,011)			-
184								-	1			-
	Deferral Account Entry (Positive Entry = Debit)							-	(149,011)			\vdash
186	(Deferral Account Variance + True-up Variance)			-		-	-	-	(145,011)			-1
187	To be included as deferral account in rate application)	-		-	-	-		-				-
188	TO be included as deternal account in rate application;	-		-	-	-	-	-				\vdash
189		+		-	_	_	-	_			*	-
	V) INTEREST PORTION OF TRUE-UP			-	_		-	-				-
191	Variance Caused By Phase-in of Deemed Debt	-		-			-	-				-
192	variance Caused By Phase-in of Deemed Debt	-		-	_	-	-	_				-
193	T. 1. 1 1 1' 1 /DEOINEO	-		-	-	-	-	-	2000 470			-
	Total deemed interest (REGINFO)	-		-		-	-	-	908,170			
194	Interest phased-in (Cell C36)			-		-	-	-	605,477			
	Mariana dua ta abasa in af daht atmatura				_		-	-	200 000			\vdash
196	Variance due to phase-in of debt structure	_		-	_	-	-		302,693			-
198	according to Rate Handbook			-	_	-	-	-				\vdash
	Other Interest Variances (i.e. Borrowing Levels			-		-	-					\vdash
				1	_		-	-				\vdash
200	Above Deemed Debt per Rate Handbook)	1		+		-	-	_	000 447			
	Interest deducted on MoF filing (Cell K36+K41)				-	-		-	808,147		-	-
202	Total deemed interest (REGINFO CELL D57)	1		-	-		-		908,170			-
	Mariana annual bu annual daba	-		1		-	-	-	NAME OF TAXABLE PARTY.			
	Variance caused by excess debt	_		-	-	-	-		0			-
205	the state of the s	-		1		-	-	-	TO SERVICE A STATE OF THE SERVICE AND ADDRESS OF		-	
206	Interest Adjustment for Tax Purposes (carry forward to Cell I112)			-	-	-	-	_	0			-
207	P.4-11-4			+	-	-	-	-	202 222			-
	Total Interest Variance	+		-		_	-		302,693			\vdash
209												

TAX (for	A CTION 93 PILS TAX GROSS-UP "SIMPIL" X RETURN RECONCILIATION (TAXREC) "wires-only" business - see s, 72 OEB Act)	LINE	M of F Corporate Tax	Non-wires Eliminations	E Wires-only Tax Return
4			Return		Wassies W.
San	tion A: Identification:	-			Version XX.xx
	ity Name: Halton Hills Hydro Inc.				
	porting period: December 31, 2002				
	ration Year's start date:				
_	ration Year's end date:		265	dave	
1 Nur 2	mber of days in taxation year:	-	365	days	
_	ase enter the Materiality Level :		31,316	< - enter materi	ality level
	0.25% x Rate Base x CER)	Y/N	- 1,010		
	0.25% x Net Assets)	Y/N			
	r other measure (please provide the basis of the amount)	Y/N			
	es the utility carry on non-wire related operation?	Y/N			
9	ease complete the questionnaire in the Background question	inaire w	orksneet.)		
	e: Carry forward Wires-only Data to Tab "TAXCALC" Column K				
1	Charles of the Control of the Contro				
	ction B: Financial statements data:				
	ut unconsolidated financial statement data submitted with tax rete a actual categories of the income statements should be used.	ums.			
	equired please change the descriptions except for amortization, in	nterest e	nn bne eanenx	vision for incom	e tax
6	quires please shange the accomplished shoops for amortization, if	Terest 6	Aparise and pre	- Incom	o iax
7 Plea	ase enter the non-wire operation's amount as positive number, th				nts
	he "non-wires elimination column" entered as negative values in	the TAX	REC and TAXE	REC2.	
	scription:				
0 Inco	ome: Service Revenue		39,024,565		39,024,565
	Other Income	+ +	1,197,549		1,197,549
	Miscellaneous income	+	1,107,040		1,197,549
4		+			0
5		*			0
	venue should be entered above this line				
7 8 Evn	penses:				
_	Cost of energy purchased		31,847,778		31,847,778
	Salaries and benefits		3,042,942		3,042,942
	Material costs		1,387,058		1,387,058
	Amortization		1,768,393		1,768,393
	Contract services	-	1,001,342		1,001,342
	Ontario Capital Tax		149,400		149,400
	Property costs Other expenses		479,292 288,438		479,292 288,438
	Communication costs		230,203		230,203
	Allocated to capital	-	-2,508,163		-2,508,163
9					
	Income Before Interest & Income Taxes EBIT	=	2,535,431	0	
1 Les	s: Interest expense for accounting purposes Provision for payments in lieu of income taxes	-	808,147 305,000		808,147 305,000
	Income (loss)	-	1,422,284		
(The (loss	e Net Income (loss) on the MoF column should equal to the net income s) per financial statements on Schedule 1 of the tax return,)				
5 000	dian C. Bassacilistian of accounting income to toyoble inco				
	ction C: Reconciliation of accounting income to taxable inco	me			
	OK TO TAX ADDITIONS:				
9 Pro	vision for income tax	+	305,000		
	preciation & Amortization	+	1,768,393		
	ployee benefit plans-accrued, not paid	+	36,264		
	k reserves deducted in prior year serves from financial statements- end of year	+	0	2	0
3 Res	gulatory adjustments	+		1	0
Hes Rec Mat	terial addition items from TAXREC 2	+	0	0	0
Hes Rec Mat Oth			0	0	0
Res Res Mat Olh	erial addition items from TAXREC 2 er addition items (not Material) from TAXREC 2	+	0	0	0
A Res Res Mat Olh	terial addition items from TAXREC 2	+			0
Hes Rec Mat Oth 7	lerial addition items from TAXREC 2 er addition items (not Material) from TAXREC 2 Subtotal	+	0	0	0
3 Res 4 Rec 5 Mat 6 Oth 7 8 9 Oth	erial addition items from TAXREC 2 er addition items (not Material) from TAXREC 2	+	0	0	0
3	terial addition items from TAXREC 2 ter addition items (not Material) from TAXREC 2 Subtotal ter Additions: (Please explain the nature of the additions) apture of CCA 1-deductible meals and entertainment expense	+ +	0	0	0 0 2,109,657 0 4,423
3	lerial addition items from TAXREC 2 er addition items (not Material) from TAXREC 2 Subtotal er Additions: (Please explain the nature of the additions) capture of CCA n-deductible meals and entertainment expense bital items expensed	+ + + +	2,109,657 4,423	0	0 0 2,109,657 0 4,423 0
Hespanson	lerial addition items from TAXREC 2 er addition items (not Material) from TAXREC 2 Subtotal er Additions: (Please explain the nature of the additions) apture of CCA n-deductible meals and entertainment expense oital items expensed vision for bad debts	+ + + + + +	2,109,657 4,423 26,588	0	0 0 2,109,657 0 4,423 0 26,588
3 Res 4 Res 5 Mat 6 Olh 7 8 8 9 0 Oth 1 Rec 2 Nor 3 Cap 4 Pro 5 Cha	lerial addition items from TAXREC 2 er addition items (not Material) from TAXREC 2 Subtotal er Additions: (Please explain the nature of the additions) capture of CCA n-deductible meals and entertainment expense bital items expensed	+ + + + + +	2,109,657 4,423	0	0 0 2,109,657 0 4,423 0 26,588 226
A Res A Res B Mat B Oth B O B O B O B O B O B O B O B O	lerial addition items from TAXREC 2 er addition items (not Material) from TAXREC 2 Subtotal er Additions: (Please explain the nature of the additions) apture of CCA n-deductible meals and entertainment expense oital items expensed vision for bad debts	+ + + + + + + +	2,109,657 4,423 26,588	0	0 0 2,109,657 0 4,423 0 26,588 226 0
A Res A Res B Mat B Oth B O C Oth A Res C Nor B Cap A Pro C Chas B Cap C Chas B Cap	lerial addition items from TAXREC 2 er addition items (not Material) from TAXREC 2 Subtotal er Additions: (Please explain the nature of the additions) apture of CCA n-deductible meals and entertainment expense oital items expensed vision for bad debts	+ + + + + +	2,109,657 4,423 26,588	0	0 0 2,109,657 0 4,423 0 26,588 226
3	terial addition items from TAXREC 2 er addition items (not Material) from TAXREC 2 Subtotal per Additions: (Please explain the nature of the additions) apture of CCA in-deductible meals and entertainment expense vital items expensed vision for bad debts aritable donations Total Other Additions	+ + + + + + + +	2,109,657 4,423 26,598 226	0	0 0 2,109,657 0 4,423 0 26,588 226 0 0 31,237
Residue Residu	lerial addition items from TAXREC 2 ler addition items (not Material) from TAXREC 2 Subtotal ler Additions: (Please explain the nature of the additions) capture of CCA n-deductible meals and entertainment expense bital items expensed wision for bad debts aritable donations	+ + + + + + + +	2,109,657 4,423 26,588 226	0	0 0 2,109,657 0 4,423 0 26,588 226 0 0 31,237
3	lerial addition items from TAXREC 2 ler addition items (not Material) from TAXREC 2 Subtotal ler Additions: (Please explain the nature of the additions) capture of CCA n-deductible meals and entertainment expense bital items expensed wision for bad debts aritable donations Total Other Additions Total Additions	+ + + + + + + + =	2,109,657 4,423 26,598 226	0	0 0 2,109,657 0 4,423 0 26,588 226 0 0 31,237
## A Peccasion	terial addition items from TAXREC 2 er addition items (not Material) from TAXREC 2 Subtotal per Additions: (Please explain the nature of the additions) apture of CCA in-deductible meals and entertainment expense vital items expensed vision for bad debts aritable donations Total Other Additions	+ + + + + + + + =	2,109,657 4,423 26,588 226 31,237 2,140,894	0	0 0 2,109,657 0 4,423 0 26,588 226 0 0 31,237 2,140,894
Reserved	lerial addition items from TAXREC 2 ler addition items (not Material) from TAXREC 2 Subtotal ler Additions: (Please explain the nature of the additions) capture of CCA n-deductible meals and entertainment expense bital items expensed wision for bad debts aritable donations Total Other Additions Total Additions	+ + + + + + + + =	2,109,657 4,423 26,588 226 31,237 2,140,894	0	0 0 0 2,109,657 0 4,423 0 26,588 226 0 0 31,237 2,140,894
3	lerial addition items from TAXREC 2 ler addition items (not Material) from TAXREC 2 Subtotal ler Additions: (Please explain the nature of the additions) capture of CCA n-deductible meals and entertainment expense bital items expensed wision for bad debts aritable donations Total Other Additions Total Additions	+ + + + + + + + =	2,109,657 4,423 26,588 226 31,237 2,140,894	0	0 0 2,109,657 0 4,423 0 26,588 226 0 0 31,237 2,140,894
3	lerial addition items from TAXREC 2 ler addition items (not Material) from TAXREC 2 Subtotal ler Additions: (Please explain the nature of the additions) capture of CCA n-deductible meals and entertainment expense bital items expensed wision for bad debts aritable donations Total Other Additions Total Additions	+ + + + + + + + =	2,109,657 4,423 26,588 226 31,237 2,140,894	0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	0 0 0 2,109,657 0 4,423 0 26,588 226 0 31,237 2,140,894 0 0
3	lerial addition items from TAXREC 2 ler addition items (not Material) from TAXREC 2 Subtotal ler Additions: (Please explain the nature of the additions) capture of CCA n-deductible meals and entertainment expense bital items expensed wision for bad debts aritable donations Total Other Additions Total Additions	+ + + + + + + + =	2,109,657 4,423 26,588 226 31,237 2,140,894	000000000000000000000000000000000000000	0 0 0 2,109,657 0 4,423 0 26,588 226 0 0 31,237 2,140,894 0 0 0
3	lerial addition items from TAXREC 2 ler addition items (not Material) from TAXREC 2 Subtotal ler Additions: (Please explain the nature of the additions) capture of CCA n-deductible meals and entertainment expense bital items expensed wision for bad debts aritable donations Total Other Additions Total Additions	+ + + + + + + + =	2,109,657 4,423 26,588 226 31,237 2,140,894	0 0 0 0 0 0 0 0 0	0 0 0 2,109,657 0 4,423 0 0 26,588 226 0 0 31,237 2,140,894
3	lerial addition items from TAXREC 2 er addition items (not Material) from TAXREC 2 Subtotal er Additions: (Please explain the nature of the additions) capture of CCA n-deductible meals and entertainment expense cital items expensed vision for bad debts aritable donations Total Other Additions Total Additions cap Material Additions:	+ + + + + + + + =	2,109,657 4,423 26,588 226 31,237 2,140,894	000000000000000000000000000000000000000	0 0 0 2,109,657 0 4,423 0 26,588 226 0 31,237 2,140,894 0 0 0 0 0 0
Res	lerial addition items from TAXREC 2 ler addition items (not Material) from TAXREC 2 Subtotal ler Additions: (Please explain the nature of the additions) capture of CCA n-deductible meals and entertainment expense bital items expensed wision for bad debts aritable donations Total Other Additions Total Additions	+ + + + + + + + =	2,109,657 4,423 26,588 226 31,237 2,140,894	0 0 0 0 0 0 0 0 0 0 0	0 0 0 2,109,657 0 4,423 0 26,588 226 0 31,237 2,140,894 0 0 0 0 0 0

A SECTION 93 PILS TAX GROSS-UP "SIMPIL" TAX RETURN RECONCILIATION (TAXREC) (for "wires-only" business - see s, 72 OEB Act)	B LINE	C M of F Corporate Tax Return	D Non-wires Eliminations	Wires-only Tax Return Version XX.xx
BOOK TO TAX DEDUCTIONS: Capital cost allowance	20	1,616,937		1,616,937
Cumulative eligible capital deduction	- E	82,821		82,821
Employee benefit plans-paid amounts	23	18,743		18,743
Items capitalized for regulatory purposes	_ 3			0
Regulatory adjustments:	¥:			0
CCA other deductions	-			0
Tax reserves claimed in current year	•	0	0	0
Reserves from F/S- beginning of year	*			0
Contributions to deferred income plans	*9			0
Contributions to pension plans Interest capitalized for accounting deducted for tax	*			0
Material deduction items from TAXREC 2	*:	0	0	0
Other deduction items (not Material) from TAXREC 2		0	0	0
Cubtotal	-	1 710 501	0	1 710 501
Subtotal Other deductions (Please explain the nature of the deductions)	=	1,718,501	0	1,718,501
Charitable donations - tax basis	2			0
Gain on disposal of assets	- £			0
Non-taxable load transfers	2	170,052		170,052
Bad debts		1,631		1,631
Total Other Deductions	=	171,683	0	171,683
Total Deductions		1,890,184	0	1,890,184
Recap Material Deductions;				
Hecap Material Deductions;	Anator 1	0	0	0
	DES.	Ö	0	
Non-taxable load transfers	100	170,052	0	
		0	0	
Total Other Deductions exceed materiality level	N323.50	170,052	0	
Other Deductions less than materiality level		1,631	Ö	
Total Other Deductions	y	171,683	0	
TAXABLE INCOME	=	1,672,994	0	1,672,994
DEDUCT: Non-capital loss applied		903659	O CONTRACTOR OF THE PARTY OF	903659
Net capital loss applied	-	300003		0
NET TAXABLE INCOME	Ħ	769,335	0	769,335
Net Federal Income Tax Net Ontario Income Tax	+	200,891 95,160		200,891 95,160
Subtotal	=	296,051	0	296,051
Less: Miscellaneous tax credits		0.001001		0
Total Income Tax	=	296,051	0	296,051
Section D: Detail calculation of the Ontario Capital Tax ONTARIO CAPITAL TAX (From Ontario CT23) PAID-UP CAPITAL				
Paid-up capital stock	+	16,161,663		16,161,663
Retained earnings (if deficit, deduct)	+/-	233,887		233,887
Capital and other surplus excluding appraisal surplus	+			0
appraisal surplus Loans and advances	+	16,465,836	-	16,465,836
Bank loans	+			0
Bankers acceptances	+			0
Bonds and debentures payable	+			0
Mortgages payable Lien notes payable	+			0
Deferred credits	+			0
Contingent, investment, inventory and similar reserves	+			0
Other reserves not allowed as deductions	+			0
Share of partnership(s), joint venture(s) paid-up capital	+	14,833		14,833
Sub-total	=	32,876,219	0	32,876,219
Subtract: Amounts deducted for income tax purposes in excess of amounts				ORDER MINISTRA
booked				0
Deductible R&D expenditures and ONTTI costs deferred for income	2			
tax Total (Net) Paid-up Capital	=	32,876,219	0	32,876,219
ELIGIBLE INVESTMENTS				
Bonds, lien notes, interest coupons	+			0
Mortgages due from other corporations Shares in other corporations	+	975 555		879,235
Shares in other corporations Loans and advances to unrelated corporations	+	879,235 4,250		4,250
Eligible loans and advances to related corporations	+	830,551		830,551
Share of partnership(s) or joint venture(s) eligible investments	+			0
Total Eligible Investments	-	1,714,036	0	1,714,036

_		-				_
1	A SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	E Wires-only	_F_
	TAX RETURN RECONCILIATION (TAXREC)	LINE	Corporate	Eliminations	Tax	_
	(for "wires-only" business - see s. 72 OEB Act)		Tax	Liiiiiiiations	Return	
4	NOT WILES OF THE DECISIONS SEED FOR		Return		Hotam	
5			110,011		Version XX.xx	
180						
	TOTAL ASSETS					
182						
183	Total assets per balance sheet	+	38,859,556		38,859,556	
184	Mortgages or other liabilities deducted from assets	+			0	
185	Share of partnership(s)/ joint venture(s) total assets	+	20,401		20,401	
	Subtract: Investment in partnership(s)/joint venture(s)	*	25,429		25,429	
187						
	Total assets as adjusted	= "	38,854,528	0	38,854,528	
189	Add the dealers and the second second	-				_
	Add: (if deducted from assets)				0	
191 192	Contingent, investment, inventory and similar reserves Other reserves not allowed as deductions	+			0	
	Subtract:	7			0	
130	Amounts deducted for income tax purposes in excess of amounts					
194	booked				0	
. 5-4	Deductible R&D expenditures and ONTTI costs deferred	-			0	
195	for income tax					
	Subtract: Appraisal surplus if booked				0	
	Add or subtract: Other adjustments	+/-			0	
198						
199	Total Assets	=	38,854,528	0	38,854,528	
200						
201	All and the second seco					
202	Investment Allowance		1,450,308	0	1,450,308	
203	M					
	Taxable Capital					
205	by consumer to the second seco					_
	Net paid-up capital	+	32,876,219	0		
	Subtract: Investment Allowance		1,450,308	0	1,450,308	_
208	Tayahla Canital		31,425,911	0	31,425,911	
209 210	Taxable Capital	=	31,425,911	U	31,425,911	
	Capital Tax Calculation					
	Deduction from taxable capital up to \$5,000,000		4,668,892		4,668,892	_
213	poddelion nom taxable dapital ap to 40,000,000		4,000,002		4,000,002	
214	Net Taxable Capital		26,757,019	0	26,757,019	
215	,					
216	Rate 0.3%		0.3000%	0.3000%	0.3000%	
217						
218	Days in taxation year		365	365	365	
	Divide days by 365		1.00	1.00	1.00	
550						
221	Ontario Capital Tax		80,271	0	80,271	
222		-				
223	LADOF CODDODATION TAY					
	LARGE CORPORATION TAX	-				_
	(From Federal Schedule 33) CAPITAL	-				
	ADD:	-				
-6.1	Reserves that have not been deducted in computing income for the				MODEL CONTROL OF THE PARTY OF T	
228	year under Part I	+			0	
	Capital stock	+	16,161,663	O CONTRACTOR		
	Retained earnings	+	233,887		233,887	
	Contributed surplus	+			0	
	Any other surpluses	+			0	
233	Deferred unrealized foreign exchange gains	+			0	
234	All loans and advances to the corporation	+	16,151,219		16,151,219	
	All indebtedness- bonds, debentures, notes, mortgages, bankers	+			CONTRACTOR OF THE PARTY OF THE	
	acceptances, or similar obligations		323,866		323,866	
	Any dividends declared but not paid	+			0	
	All other indebtedness outstanding for more than 365 days	+			0	
238	Outland	100	00.095.05	STATE OF THE PARTY	80.075.00	
39	Subtotal	-	32,870,635	0	32,870,635	_
40	DEDUCT	-				_
	DEDUCT: Deferred tax debit balance	-			0	
	Any deficit deducted in computing shareholders' equity	-			0	
-40	Any deficit deducted in computing snareholders: equity Any patronage dividends 135(1) deducted in computing income	-			U	
244	under Part I included in amounts above	-			0	
	Deferred unrealized foreign exchange losses	-			0	_
245	servines uniformized foreign exertained tosses	-			Moviewee	
				0	O	
246	Subtotal	=	0	WHICH SERVICE CHARLES	STATE OF THE O	
246 247	Subtotal	=	0	Principle of Control o	STATE SHAPE OF	
246 247 248	Subtotal Capital for the year	=	32,870,635			

	A	В	C	D	E	F
1	SECTION 93 PILS TAX GROSS-UP "SIMPIL"	LINE	MoFF	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4	,		Return			
5					Version XX.xx	
51	INVESTMENT ALLOWANCE					
52						
53	Shares in another corporation	+	830,552		830,552	
	Loan or advance to another corporation	+	547,375		547,375	
55	Bond, debenture, note, mortgage, or	+	834,801		834,801	
	similar obligation of another corporation	+			0	
57	Long term debt of financial institution	+			0	
58	Dividend receivable from another corporation	+			0	
	Debts of corporate partnerships that were not exempt from tax	1 2				
59	under Part I.3	*			0	
60	Interest in a partnership	+	25,429		25,429	
61						
62		=	2,238,157	0	2,238,157	
63						
64						
65	TAXABLE CAPITAL					
66						
67	Capital for the year	=	32,870,635	0	32,870,635	
68						
69	Deduct: Investment allowance	1 4	2,238,157	0	2,238,157	
70						
71	Taxable Capital for taxation year	=	30,632,478	0	30,632,478	
72						
73			10,000,000	0	10,000,000	
74						
75		=	20,632,478	0	20,632,478	
76						
	Rale .225%		0.22500%	0.22500%	0.22500%	
78						
	Days in year		365	365	365	
	Divide days by 365		1.0000	1.0000	1.0000	
81						
	Gross Part I.3 Tax LCT	=	46,423.08	0.00	46,423.08	
83						
	Federal Surtax Rate		1.1200%	1,1200%	1.1200%	
85						
	Less: Federal Surtax = Taxable Income x Surtax Rate	3	8,617	0	8,617	
87						
	Net Part I.3 Tax LCT Payable	=	37,807	0	37,807	
	(If surtax is greater than Gross LCT, then zero)					
90						
	RECAP:					
	Total Income Taxes	+	296,051	0		
	Ontario Capital Tax	+	80,271	0		
	Federal Large Corporations Tax	+	37,807	0	37,807	
95					The state of the s	
	Total income and capital laxes	=	414,129	0	414,129	
97	£					

A	В	C	D	E	F
1 SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2 TAX RETURN RECONCILIATION (Tax Reserves)		Corporate	Eliminations	Tax	
3 (for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4		Return			
5				Version XX.xx	
6					
7 Utility Name: Halton Hills Hydro Inc.					
8 Reporting period: December 31, 2002					
9					
10 TAX RESERVES					
11 Opening balance:					
12 Accrued contingent liability				0	
13				0	
14				0	
15				0	
16				0	
17				0	
18				0	
19				0	
20				0	
21 Total (carry forward to the TAXREC worksheet)		0	0	0	
22					
23 Ending balances:					
24 Accrued contingent liability				0	
25				0	
26				0	
27				0	
28				0	
29				0	
30				0	
31				0	
32				0	
33 Insert line above this line				0	
34 Total (carry forward to the TAXREC worksheet)		0.00	0	0	
35					

	A	Тв	С	D	E	F
1						
2	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
3	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)	-	Tax		Return	
5			Return			
6					Version XX.xx	
7						
	Utility Name: Halton Hills Hydro Inc.					
	Reporting period: December 31, 2002	-	200			
	Number of days in taxation year:	-	365	days		
12	Materiality Level:	+	31,316			
	Section C: Reconciliation of accounting income to taxable income	+				
	Add:	-				
	Recapture of capital cost allowance	+			0	
	Gain on sale of eligible capital property	+			0	
	Income or loss for tax purposes- joint ventures or partnerships	+			0	
	Loss in equity of subsidiaries and affiliates	+			0	
	Loss on disposal of assets	+			0	
20	Charitable donations	+			0	
21	Taxable capital gains	+			0	
	Depreciation in inventory -end of year	+			0	
	Scientific research expenditures deducted	+			0	
24		+			0	
	Capitalized interest	+			0	
	Non-deductible club dues and fees	+			0	
	Non-deductible automobile expenses	+				
	Non-deductible life insurance premiums	+			0	
	Soft costs on construction and renovation of buildings	+			0	
	Book loss on joint ventures or partnerships	+			0	
	Capital items expensed	+			0	
	Debt issue expense	+			0	
-	Deemed dividend income	+			0	
	Dividends credited to investment account	+			0	
	Financing fees deducted in books	+			0	
	Gain on settlement of debt	+			0	
	Interest paid on income debentures	+			0	
	Recapture of SR&ED expenditures Share issue expense	+			0	
40	Write down of capital property	+			0	
40	Amounts received in respect of qualifying environment trust	+			0	
	Other Additions: (please explain in detail the nature of the item)	+			0	
	Employee future benefit costs accrued	+			0	
	Provision for bad debts	+			0	
45	1 TONISION TO Bud debte	+			0	
46		+			0	
47		+			0	
48		+			0	
49		+			0	
50		+			0	
51		+			0	
52		+			THE PERSON NAMED AND THE PERSO	
53	Total Additions	=	0	0	0	
54						
55	Recap of Material Additions:					
56			0	0		
57 58			0	0		
59		3 0 0 0	0	0		
60			0	0		
61		3 3	0	0		
62		T POR	0	0		
63		S EXW	0	0		
64		8 = 8	0	0		
65			0	0		
66		0.00	0	0		
67			0	0		
68		E 80 7	0	0		
69		E 0 8	0	0		
70			0	0		
71			0	0		
72		10 TO	0	0		
73		NO. E. VIII	0	0		
74			0			
75			0	0		
76		. 158	0	0		
77			0			
78			0			
79		OR WALE	0			
80			0			
81			0	0	0	

A	В	С	D	E
2 SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only
TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax
4 (for "wires-only" business - see s. 72 OEB Act)		Tax		Return
5		Return		
6				Version XX.xx
32		0	0	0
03		0	0	0
34		0	0	0
35		0	0	0
96		0	0	0
97		0	0	0
38		0	Ö	0
99		0	0	0
00		0	0	0
01		0	0	0
92 93		0	0	0
74 Total Material additions		0	0	0
Other additions less than materiality level		0	0	0
6 Total Additions		0	0	0
7				
B Deduct:				
Gain on disposal of assets per f/s				0
00 Dividends not taxable under section 83	- 1			0
01 Terminal loss from Schedule 8	2 1			0
Depreciation in inventory, end of prior year				0
3 Scientific research expenses claimed in year from Form T661	-			0
94 Bad debt				0
05 Book income of joint venture or partnership				0
D6 Equity in income from subsidiary or affiliates	-			0
O7 Contributions to a qualifying environment trust	-			0
08 Other income from financial statements				
				0
O9 Other deductions: (Please explain in detail the nature of the item)				TO A STATE OF THE PARTY OF THE
10 Employee future benefit expenses paid	7.5			0
11 Non taxable load transfers	-			0
12	•			0
13				0
14				0
15	2			0
16	12.5			0
17	7.50			0
18				0
19	-			0
20				0
21 Total Deductions	= 1	0	0	
22	- 0			
23 Recap of Material Deductions:				
24		0	0	0
25		0		
				-
26 27		0		0
		0		
28		0		0
29		0		0
		0		0
		0		
32	A 1 - 1	0		
33		0	0	0
	the state of	0	0	0
35	1118	0	0	0
36	. E/A II. 00	0		0
	W-2	0		0
		0		0
39	1000	0		0
10	Section 1	0		0
	215			
41	000	0		0
42	MULL ELDI	0		0
43	100 B	0		0
14		0		0
45 Total Deductions exceed materiality level	575	0		
46 Other deductions less than materiality level		0	0	0
47 Total Deductions		0		
48		7		

	A	В	С	D	Е	F	G	Н	_
1	SECTION 93 PILs TAX	K GROSS	UP "SIMPIL"				•		
2	Corporate Tax Rates								
3									
4	Income Range		0	200,001	>700,000	i.			
5	A STATE OF THE PARTY OF THE PAR		to	to	~				
6		Year	200,000	700,000					
7	Income Tax Rate								
	Current year	2002	19.12%	34.12%	38.62%	ĺ			
	Capital Tax Rate		0.30%						
	LCT rate		0.225%						
	Surtax		1.12%						
	Ontario Capital Tax		5,000,000			i			
12	Exemption								
	Federal Large								
40	Corporations Tax		10,000,000						
	Exemption								
14									
	Income Range		0	225,001	>700,000				
16			to	to					
17		Year	225,000	700,000					
18	Income Tax Rate	NCA LODGE MARKET		COST III GOVERN					
19	Income Tax Rates used to gross up the deferral account allowance variance	2003	18.62%	32.12%	36.62%				
20									
21	Income Range		0	250,001	>700,000				
22			to	to					
23	Puri Sir La ve	Year	250,000	700,000					
24	Income Tax Rate								
25	Income Tax Rates used to gross up the true up variance	2004	18.62%	32.12%	36.62%				

	Α	В	С	D	Е	F	G
1		SECTION 93 PILs TAX GROSS-UP "SIMPIL"					Version XX.xx
2		Filing Requirements related to the "SIMPIL" model					
3		Utility Name: Halton Hills Hydro Inc.					
4		Reporting period: December 31, 2002					
5							
6		Documents to be submitted to the Board when filing the Initial Est	imate Colu	mn ı	nformation	:	
7 8	-	(Stage 1 filing: normally in January of the reporting period)					
	1)	REGINFO spreadsheet		-			
10	1)	nEditir O spieausileet					
11	2)	TAXCALC spreadsheet					
12	-/	TAXONEO OPIOUGONOON					
13	3)	CCA schedule prepared for regulatory purposes					
14		. , , , , , , ,					
15	4)	TAX RATES spreadsheet					
16							
17	5)	Checklist					
18							
19	6)	Electronic format of the SIMPIL spreadsheets					
20							
21		Documents to be submitted to the Board when filing the Deferral	Account Al	lowa	nce Colum	n informati	on:
22		(Stage 2 filing: normally in December of the reporting period)					
23		DECINES					
24 25	1)	REGINFO spreadsheet					
26	0)	TAYCAL C amusadahasi		_			
27	2)	TAXCALC spreadsheet		_			
	3)	Revised CCA schedule prepared for regulatory purposes if					
28	3)	changes have been made					
29		onangeo nave boon made					
30	4)	TAX RATES spreadsheet					
31	-						
32	5)	Checklist					
33							
34	6)	Electronic format of the SIMPIL spreadsheets					
35							
36		Documents to be submitted to the Board when filing the Ministry		Colu	mn informa	ation:	
37		(Stage 3 filing: normally in July of the year following the reporting	period)				
38	4	DECIMES 1.1.		- >/			
39 40	1)	REGINFO spreadsheet		Υ			
	٥)	TAYCAL C operadohoot		Υ			
41	2)	TAXCALC spreadsheet					
43	3)	TAXREC, TAXREC 2 spreadsheets		Υ			
44	٥,	ITALIEU, ITALIEU E SPIERUSIICEIS					
45	4)	TAX RESERVES spreadsheet		Υ			
46	7						
47	5)	BACKGROUND QUESTIONNAIRE spreadsheet		Υ			
48							
49	6)	CONTINUITY SCHEDULE OF ACCOUNT # 1562		Υ			
50							
	7)	Financial statements used to prepare tax returns if different from the audited financial statements previously submitted to the		N/A			
51		Board		1			
52		DValu					
53	8)	TAX RATES worksheet		Υ			
54				·			
55	9)	Checklist		Υ			
56							
	10)	Electronic format of the SIMPIL worksheets		Y			
-	/		1				

	Α	В	С	D	E	F	G	Н
1		SECTION 93 PILs TAX GROSS-UP	"SIMPIL"		_		-	''
2		QUESTIONNAIRE						
3		Utility Name: Halton Hills Hydro Inc.						
4		Reporting period: December 31, 2002						Version XX.xx
5								
6	1	Does the company engage in non-regular	ted activities?					
7		Answer: No						
8								
9								
10		If the answer to question 1 is "NO", pleas	se skip question 2	to 6.				
11	2	Please identify the types of non-wire ope	rations carried on	by the LD	C.			
12		Answer:						
13								
14								
15								
16	3	Does the LDC intend to transfer the non-	wire operations to	a separat	e legal entity a	and the ex	pected	date?
17		Answer:						
18						-	-	
19	_						-	
20 21		Diagram in the state of the sta						
22	4	Please identify the percentage and amou	nt of gross revenu	ies arīsīng	rom non-wir	e operation	ons.	
23	-	Answer:			-		-	
24	-						1	
25	5	Please identify the percentage and amou	nt of operating ev	nonce inc	urrad partainir	ad to non-	wire or	orations
26	- 3	Answer:	int or operating ex	Delise inc	urred pertairii	ig to non-	Wife Op	ciations.
27		Allower.						
28								
29	6	Please identify the percentage and amou	nt of depreciation	and capit	al cost allowa	nce exper	ses pe	rtaining
30		to non-wire operations.						
31		Answer:						
32								
. 33								
34	7	Did the company incur any OPEB (Other	Post Employment	Benefits)	expenditure for	or accour	iting an	d tax purposes? (F
35		Answer:Yes	Accounting - 36,26	64	Tax - 18,743			
36								
37	8	Did the company have any reserve for ac	counting and tax	purposes'	? (Please iden	tify the ar	nount.)	
38		Answer:No						
39								
40								
41		OTHER PERTINENT INFORMATION:						
42	9	Did the LDC incur any transition costs?						
43		Answer:Yes						
44							-	
45 46		Kale a series of libror 1					-	
47	10	If the answer to question 9 is "NO", pleas				la sulta as Ala a		an and a
48	10	Please identify the amount of transition of Answer:\$126,198	costs recovery rec	ervea iron	n consumers c	uring the	reporti	ng perioa.
49	-	A115We1.\$120,190					-	
50							-	
51	11	Please identify the amount of transition of	nets deducted for	accounti	ng and tay nur	nnese		
52		Answer:	,coto deddoled IVI	account	ng and tax pul	poses.		
53			Accounting		Tax			
54		Amortization/CCA claimed	126200		126200			
55		Other expensed	0		0			
56		Total	126200		126200			
57		Transition costs capitalized	0	1	0			
Ë		Incurred prior to October 1, 2001 & non-	0		0			
58		deductible for tax purposes			"			
		- Parkaga				y —	_	

_	A	В	С	D	E	F	G	Н		J	К	L	M	N	0
1	SECTION 93 PILs TAX GROS	SS-UP	"SIMPIL"												
2	Analysis of Account 1562:	Deferi	red Payment	in lie	eu of Taxes										
3	•														
4															
5	Utility Name: Halton Hills H													1.	
	Reporting period: December	er 31, 2	002												
7															
8															
9	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		12/31/2006		Total
11															
12	Opening balance:	=			236,647		81,863		81,863		81,863		81,863		0
	Initial Estimate PILs Rate	+/-													
13	Adjustment(1)		236,647		659,170										895,817
٠	Deferral Account Variance	+/-													
14	PILs Rate Adjustment(2)				0					_				-	0
10	Deferral Account Entry	+/-			71.40.04.77										71.40.01.15
	(True-up adjustments) (3)				(149,011)	_				_					(149,011)
16	Carrying charges	+/-		-	2,863					-				-	2,863
47	PILs collected from		0		667.006										667.006
18	customers	-	U	-	667,806	_				_				-	667,806
_	Ending halanas	-	236,647		81,863		81,863		81,863	_	81,863	_	81,863	-	81,863
	Ending balance:	-	230,047	-	01,003	-	01,003		01,003	-	61,003		61,003	-	61,003
20	Note:			-				-				_		-	
22	The purposes of this workshee		h a 4h a		-4:- A	1500				-					
	For explanation of Account 15							Floor	ria Diatributia	- I H	lilition	_			
24	For explanation of Account 15	oz piea	Se reler to Act	Journ	ung Procedur	es r	andbook for	Eleci	inc Distributio	n O	unues	_		-	
	Please identify the accounti	na mot	had used to s		unt for the D	II o	00000000								
	Answer: Accrual basis	ng men	ilou useu to a	ICCO	unt for the P	IL5	ecovery.							-	
27	Allswei. Accidal basis	-		-						-		-			
28															
29						_				-					
	(1) in the Initial Estimate Colu	mn. und	ler Inclusion in	Rat	es. Part III of	the '	TAXCAL C spi	read	sheet			_		-	
	(2) in the Deferral Account Va									reet					
32															
33			2 Sidiring diric	-		-11			o op. oado					-	

	A	В	С	D
-	SECTION 93 PILs TAX GROSS-UP "SIMPIL"			Version XX.xx
	REGULATORY INFORMATION (REGINFO)			
3	Utility Name: HALTON HILLS HYDRO INC. Reporting period: DECEMBER 31, 2003		-	
5	neporting period. DECEMBER 31, 2003			
	Days in reporting period:	365	days	
	Total days in the calendar year:	365	days	
8				
9	BACKGROUND			
_	Has the utility reviewed section 149(1) ITA to			
11	confirm that it is not subject to regular corporate tax (and therefore subject to PILs)?		Y/N	Y
13	tax (and therefore subject to Files):		1711	
	Was the utility recently acquired by Hydro One			
15	and now subject to s.89 & 90 PILs?		Y/N	N
16				
	Is the utility a non-profit corporation?		Y/N	N
18 19	(If the utility is a non-profit corporation, please contact the Rates Manager at OEB)			
20	Are the Capital Tax & Large Corporations Tax Exemptions shared among the corporate group?		Y/N	N
21	Please identify the % used to allocate the exemption in Cell C63 in the TAXCALC spreadsheet.			
22				
23	Accounting Year End		Date	31-Dec
24				
-	MARR NO TAX CALCULATIONS			
$\overline{}$	SHEET #7 FINAL RUD MODEL DATA		-	
	(FROM 1999 FINANCIAL STATEMENTS) USE BOARD-APPROVED AMOUNTS			
29	GOL BOATIB-AT THOVED AIRCONTO			
	Rate base (wires-only)			25,052,968
31				
	Common Equity Ratio (CER)			50.00%
33	1-CER			50.00%
35	I-OEN		-	50.00%
	Target Return On Equity			9.88%
37				
38	Debt rate			7.25%
39	Made Adicated Decree Decree			0.445.707
40	Market Adjusted Revenue Requirement		-	2,145,787
	1999 return from RUD Sheet #7		-	0
43	Too Totall Holl Hob Glock W			
44	Total Incremental revenue			2,145,787
45	Input Board-approved dollar amounts phased-in			
46	Amount allowed in 0004. Vocant			745.000
47 48	Amount allowed in 2001, Year 1 Amount allowed in 2002, Year 2		-	715,262 715,262
49	Amount allowed in 2002, Year 2 Amount allowed in 2003, Year 3 and forward (will be zero due to Bill 210)		1	715,262
50				
51	Equity			12,526,484
52				
	Return at target ROE		-	1,237,617
54 55	Debt		-	12,526,484
56	Devi		-	12,520,464
57	Deemed interest amount in EBIT			908,170
58				
59	Phase-in of interest - Year 1 (2001)			302,723
	((D38+D43)/D36)*D54			
61	Phase-in of interest - Year 2 (2002)		-	605,447
62	((D38+D43+D44)/D36)*D54 Phase-in of interest - Year 3 (2003) and forward		-	605,447
64	((D38+D43+D44)/D36)*D54 (due to Bill 210)			000,747
65				
66				
67	PIL MODEL 2004		1	

	A	В	С	D	EF	G	Н		J	К	
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	ITEM	Initial		-	+ -		M of F	M of F	M of F	L
2	DEFERRAL/VARIANCE ACCOUNTS		Estimate					Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)							Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)							K-C	Explanation	(June)	
5						-				Version XX.xx	
7	Heilier Nomer, HALTON HILLS HYDDO INC	_	\$	-	-	-	_	\$		\$	-
8	Utility Name: HALTON HILLS HYDRO INC. Reporting period: DECEMBER 31, 2003									Column	
9	Days in reporting period:	365	days			-	_			Brought	
10	Total days in the calendar year:	365	days							From	
11										TAXREC	
12											
13											
14	I) CORPORATE INCOME TAXES					-	_			0.010.011	
15	Regulatory Net Income	1	1,609,447		-	-	-	1,639,194		3,248,641	
16	BOOK TO TAX ADJUSTMENTS										
18	BOOK TO TAX ABSOCIMENTS						_				
19	Additions:										
20	Depreciation & Amortization	2	1,789,218					6,641		1,795,859	
21	Employee Benefit Plans - Accrued, Not Paid	3	0					0		0	
22	Tax reserves deducted in prior year	4	0					0		0	
23	Reserves from financial statements end of year	4	0	-		-	-	0		0	_
24 25	Regulatory Adjustments Other Additions (See Tab entitled "TAXREC")	5	154,437			-		-154,437		0	-
26	"Material" Items from "TAXREC" worksheet	6	0	-		-	-	0		0	
27	Other Additions (not "Material") "TAXREC"	6	0		-	-		4,319		4,319	
28	*Material Items from "TAXREC 2" worksheet	6	0		-		-	52,983		52,983	
29	Other Additions (not "Material") "TAXREC 2"	6	0					15,737		15,737	
30											
31	Deductions:		mathematical and the second							1000	
32	Capital Cost Allowance and CEC	7	1,209,332				-	353,235		1,562,567	-
33	Employee Benefit Plans - Paid Amounts Items Capitalized for Regulatory Purposes	8	0				-	0		0	
35	Regulatory Adjustments	10	-55,617			-	-	55,617		0	
36	Interest Expense Deemed/ Incurred	11	681,173		-		-	540,428		1,221,601	
37	Tax reserves claimed in current year	4	0				-	0		0	
38	Reserves from F/S beginning of year	4	0					0		0	
	Contributions to deferred income plans	3	0					0		0	
	Contributions to pension plans	3	0					0		0	
41	Interest capitalized for accounting but deducted for tax	. 11	0		-	_	_	0		0	-
42	Other Deductions (See Tab entitled "TAXREC")	10		\vdash			-	THE RESERVE AND ADDRESS OF THE PARTY OF THE		0	
43	"Material" Items from "TAXREC" worksheet Other Deductions (not "Material") "TAXREC"	12	0		-	-	-	0		0	-
45	Material Items from "TAXREC 2" worksheet	12	0		_	-	-	66,837		66,837	
46	Other Deductions (not "Material") "TAXREC 2"	12	0			-		13,548		13,548	
47											
48	REGULATORY TAXABLE INCOME/ (LOSSES)		1,718,214					2,594,102		2,252,986	
49				-	_	_	_				
50	CORPORATE INCOME TAX RATE	10	00.000	\vdash	-	-	_	0.00000/		00.000/	-
51 52	Deemed %	13	38.62%	\vdash	_	-	-	0.0000%		38.62%	-
53	REGULATORY INCOME TAX		663,574	\vdash	_	_		206,529		870,103	
54	Taxable Income x Rate		330,014			\top		200,020		0.01,100	
55											
56	Miscellaneous Tax Credits	14	0					0		0	
57											
58	Total Regulatory Income Tax		663,574		_	-	_	206,529		870,103	\vdash
59		-		-	-	-					
60	To determine the exemptions for capital tax and large corporations										
100	tax: Please identify the percentage used in the allocation of the	-		-		-					-
	exemption in cell C61. Please explain the basis of the allocation if		100%								
61	the percentage is other than 100%.										
62											
	II) CAPITAL TAXES										
64											
	Ontario	10	A- A A		_	-				CD OCC TO	
66	Base	15	25,052,968 5,000,000		+	-		7,586,603		32,639,570 4,686,438	
68	Less: Exemption Deemed Taxable Capital	16	20,052,968		\dashv		-	-313,562 7,273,041		27,953,132	
69	Sounds Taxable Suprial	-	20,002,000	\vdash		-		1,210,041		21,000,102	
	Rate (.3%)	17	0.3000%					0.0000%		0.3000%	
71											
72	Net Amount (Taxable Capital x Rale)		60,159					23,700		83,859	
73	5-1(#OT)				_	_					
74	Federal (LCT)	40	05.050.000		-		_	0 504 050		04 574 604	-
75 76	Base Less: Exemption	18	25,052,968 10,000,000	\vdash	-	-	-	6,521,653		31,574,621 10,000,000	
77	Deemed Taxable Capital	15	15,052,968		_			6,521,653		21,574,621	
78			75,000,000					0,00,1,000			
79	Rate (.225%)	20	0.2250%					0.0000%		0.2250%	
80											
	Gross Amount (Taxable Capital x Rate)		33,869					14,674		48,543	
	Less: Federal Surtax	21	19,244	\vdash				5,989		25,233	-
83	Net LCT	-	14,625	\vdash	-	-	_	20,663		23,309	
0.4		-	14,625		_	+	_	20,663		25,309	
85											

	A	В	С	D	E	F	G	Н		J	К	L
1 2	SECTION 93 PILS TAX GROSS-UP "SIMPIL" DEFERRAL/VARIANCE ACCOUNTS	ITEM	Initial Estimate						M of F Filing	M of F Filing	M of F Filing	
3	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)								Variance K-C	Variance Explanation	(June)	
5			s						\$		Version XX.xx	
86	III) INCLUSION IN RATES											
	Income Tax Rate used for gross- up (exclude surtax)		37.50%									
89 90	Income Tax (grossed-up)	22	1,061,719			_						
91	LCT (grossed-up) Ontario Capital Tax	23 24	23,400 60,159									
93 94	onaro odyna ruz		00,100									
95	Total S. 93 PILs Rate Adjustment	25	1,145,278									
96 97					-							
98 99	IV) FUTURE TRUE-UPS (post June 2002)											
100	IV a) Calculation of the True-up Variance								DR/(CR)			
	Employee Benefit Plans - Accrued, Not Paid	3							VAII 2000 0			
	Tax reserves deducted in prior year Reserves from financial statements-end of year	4							0			
105	Regulatory Adjustments Other additions "Material" Items "TAXREC"	5 6			-				-154,437 0			
	Other additions "Material" Items "TAXREC 2"	6							52,983			
109	Employee Benefit Plans - Paid Amounts	8							0			
111	Items Capitalized for Regulatory Purposes Regulatory Adjustments	9							55,617			
112	Interest Adjustment for tax purposes (See Below - cell 206) Tax reserves claimed in current year	11							313,431			
114	Reserves from F/S beginning of year Contributions to deferred income plans	3							0			
116	Contributions to pension plans	3							0			
118	Other deductions "Material" Items "TAXREC" Other deductions "Material" Item "TAXREC 2"	12							66,837			
	Total TRUE-UPS before tax effect	26						=	-537,339			
121	Income Tax Rate (excluding surtax)							×	37.50%			
123 124	Income Tax Effect on True-up adjustments							3	-201,502			
125 126	Less: Miscellaneous Tax Credits	14							0			
127		1.7							-201,502			
128 129	Total Income Tax on True-ups											
130	Income Tax Rate used for gross-up (exclude surtax)								37.50%			
132	TRUE-UP VARIANCE							-	(322,403)			
-	IV b) Calculation of the Deferral Account Variance					-						
135	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial								1740.014			
137	estimate column)							Ė	1,718,214			
138 139	REVISED CORPORATE INCOME TAX RATE							×	38.62%			
140	REVISED REGULATORY INCOME TAX			-					663,574			
142	Less: Revised Miscellaneous Tax Credits			-				Ŀ	0			
144	Total Revised Regulatory Income Tax							=	663,574			
	Less: Regulatory Income Tax reported in the Initial Estimate Column (Cell								000.5774			
147	C58)							Ė	663,574			
148	Regulatory Income Tax Variance					-		=	0			
	Ontario Capital Tax Base						H		25,052,968			-
152	Less: Exemption Revised deemed taxable capital								5,000,000 20,052,968			
154									0.3000%			
155 156	Rate (as a result of legislative changes)							×				
	Revised Ontario Capital Tax Less: Ontario Capital Tax reported in the initial estimate column (Cell						H	-	60,159			
	C72) Regulatory Ontario Capital Tax Variance								60,159 0			
160	Federal LCT							-				
162	Base Less: Exemption							Ļ	25,052,968 10,000,000			
164	Less: Exemplion Revised Federal LCT							=	15,052,968			
165					Į.	£1.	1					

	A	В	С	D	E	F	G	н	1 1	J	K	TL
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	ITEM	Initial						MofF	M of F	M of F	-
2	DEFERRAL/VARIANCE ACCOUNTS		Estimate						Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)						-		Variance	Variance		1
4	("Wires-only" business - see Tab TAXREC)								K-C	Explanation	(June)	
5	Andrew Springer Control of Control of Englander Control of Control									THE STATE OF THE S	Version XX.xx	1
6			S						S		S	
166	Rate (as a result of legislative changes)			+					0.2250%			_
167				-					OILLEOU / O			1
	Gross Amount			-					33,869			-
169		-		-					19,244			+
	Revised Net LCT	-		-				=	14,625			-
171		_							1,710.00			
172				-	1	-		- 1	14,625			
173					1			=	0			-
174		-										1
175		-		1	-	-			37,50%			1
176					-	-	-		07.00.0			-
	Income Tax (grossed-up)	-		+				+	0			
	LCT (grossed-up)			-				+	0			-
	Ontario Capital Tax				-	-		+	0			1
180				_	-	-		-				-
181	DEFERRAL ACCOUNT VARIANCE			-	the s	-		-	0			-
182				_	+			-	WHEN THE PROPERTY OF			-
183				+-		-		+	(322,403)			-
184				-	-	-		-	(022,400)			
185				-	-	-			(000 400)			-
186					-	-	-	=	(322,403)			-
187				-	 	-						
188				-	-	-		-				
-		+		+	_	_	_					-
189				-				-				-
	V) INTEREST PORTION OF TRUE-UP	-		-	-			-				
191		-		-			-	-				-
192		-		-	-	-			000 470			-
	Total deemed interest (REGINFO)			-	-				908,170			-
194		-		-	-		-		681,173			-
195		-		-					000 000			-
196		-		-			-	-	226,997			-
197	according to Rate Handbook	-		-	-		-					-
198		-		-	-		-					-
199				-	-		-					-
200				-	-		-		7.00.20			-
201				-	-		-		1,221,601			-
202				-	-	-	-	_	908,170			-
203		-		-	-		-		010 (01		_	-
204		-		-					313,431			-
205				-	-			-	040 :::			-
206				-		-	-		313,431			-
207		-		-	-	-			88.45			-
208					_				-86,434			_

	A SECTION OF THE TAY CROSS UP. HOUSEN!	B	C	D	E	_
	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	_
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
	for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
			Return			
					Version XX.xx	
1	Section A: Identification:					
7 1	Utility Name: HALTON HILLS HYDRO INC.					
В	Reporting period: DECEMBER 31, 2003					
	Taxation Year's start date: JANUARY 1, 2003					
0	Taxation Year's end date: DECEMBER 31, 2003					
-	Number of days in taxation year:		365	days		
12		•				
	Please enter the Materiality Level :		31,316	< - enter mater	ality level	
	(0.25% x Rate Base x CER)	Y/N	01,010	- cinci maia	cinty rever	
5	(0.25% x Net Assets)	Y/N				-
6	Or other measure (please provide the basis of the amount)	Y/N				-
	Does the utility carry on non-wire related operation?	Y/N				
	Please complete the questionnaire in the Background question		arkehoot \			-
9	riease complete the questionnaire in the background question	mane w	diksheet.)			-
	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K	-				1
21	Note: Carry to ward wires-only Data to Tab TAXCALC ColdiniTK				_	-
	Section B: Financial statements data:	h				-
	Input unconsolidated financial statement data submitted with tax ret	war				-
	The actual categories of the income statements should be used.	mis.				-
						-
	If required please change the descriptions except for amortization, in	neresi e.	xpense and pri	ovision for incon	ie tax	-
26				War or the state of the same of	1	
	Please enter the non-wire operation's amount as positive number, the				nts	L
	in the "non-wires elimination column" entered as negative values in	me (AX)	nec and TAXI	TEUZ.	i	
	Description:	-				
	Income:)	00.000.0		00.000.01-	-
31	Service Revenue		36,226,346		36,226,346	
32	Other Income	· · ·	1,136,036		1,136,036	
33	Miscellaneous income				0	
34		+			0	
35					0	1
	Revenue should be entered above this line	-			ļ	
37	entracester					
	Expenses:					
39	Cost of energy purchased		28,473,695		28,473,695	
10	Salaries & benefits	- 2	3.004,752		3,004,752	
11	Material costs		1,512,768	ř.	1,512,768	
12	Amortization		1,795,859	1	1,795,859	
13	Contract services		914,377		914,377	
44	Ontario Capital Tax		133,080	1.	133,080	
45	Property costs		498,472		498,472	
46	Other expenses		440,309		440,309	
47	Communication costs		186,462		186,462	
48	Allocated to capital		-2,846,033	l.	-2,846,033	
49		03-				
50	Net Income Before Interest & Income Taxes EBIT	=	3,248,641	0	3,248,641	-
51	Less: Interest expense for accounting purposes		1,221,601		1,221,601	
52	Provision for payments in lieu of income taxes		856,051		856,051	
	Net Income (loss)	=	1,170,989	0	1,170,989	
	The Net Income (loss) on the MoF column should equal to the net income					
	(loss) per financial statements on Schedule 1 of the tax return.)				į	i .
54						L
55						
	Section C: Reconciliation of accounting income to taxable inco	me				
	From T2 Schedule 1					
58	BOOK TO TAX ADDITIONS:					
59	Provision for income tax	+	856,051	0	856,051	
30	Depreciation & Amortization	+	1,795,859	0	1,795,859	
	Employee benefit plans-accrued, not paid	+	C			
	Tax reserves deducted in prior year	+	9			
	Reserves from financial statements- end of year	+	-		0	
	Regulatory adjustments	+			0	
	Material addition items from TAXREC 2	+ [52,983	0		
	Other addition items (not Material) from TAXREC 2	+	15,737			
37	- or terminate in an increase experiment on \$19975.000 Mario Service and \$200 Mills (\$500 mills)		73.50		R. 1. S. 10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
8	Subtotal		2,720,630	0	2,720,630	
69						1
	Other Additions: (Please explain the nature of the additions)					
	Recapture of CCA	+		i .	0	
_	Non-deductible meals and entertainment expense	+	4,319	il .	4,319	
	Capital items expensed	+			0	
74		+			0	
75		+			0	
76		+			0	
77		+			0	
78	Total Other Additions	- [4,319	0	the second secon	
79	ACCOUNT OF A CONTROL OF A CONTR		7,010	1	7,010	1
30	Total Additions	= [2,724,949	0	2,724,949	
31	1300 10000000		E,1 E7,543		6,7 24,040	
	Recap Material Additions:	1				-
33	necep meetial receives.		C	0	ol	1
34			0			
35			0			
36		- 24				
c / 1			0			
	CONTRACTOR OF THE PROPERTY OF	(ERII)				
38			0			
38 39	Total Other additions - materially, level			0	0	4
88 89 90	Total Other additions > materiality level	Val (2)				
88 89 90	Total Other additions >materiality level Other deductions (less than materiality level) Total Other Additions	VALC K. K.	4,319	. 0	4,319	

2 7	A SECTION 93 PILS TAX GROSS-UP "SIMPIL" FAX RETURN RECONCILIATION (TAXREC) for "wires-only" business - see s. 72 OEB Act)	LINE	M of F Corporate Tax	Non-wires Eliminations	Wires-only Tax Return
5			Return		Version XX.xx
	BOOK TO TAX DEDUCTIONS:				Version AA.AA
	Capital cost allowance		1,485,543		1,485,543
	Cumulative eligible capital deduction		77,024		77,024
	Employee benefit plans-paid amounts				0
	tems capitalized for regulatory purposes	-: -			0
0	Regulatory adjustments : CCA				0
1	other deductions				0
	Tax reserves claimed in current year	. [ol	0	0
	Reserves from F/S- beginning of year				0
	Contributions to deferred income plans				0
5 (Contributions to pension plans				0
	nterest capitalized for accounting deducted for tax				0
	Material deduction items from TAXREC 2		66,837	0	66,837
9	Other deduction items (not Material) from TAXREC 2		13,548	0	13,548
0	Subtotal	=	1,642,952	0	1,642,952
	Other deductions (Please explain the nature of the deductions)	- 1	1,042,552]		1,042,352
	Charitable donations - tax basis	-			0
	Gain on disposal of assets				0
4					0
5					0
6					0
7	Total Other Deductions	= 1	0	0	0
9	Total Deductions	= [1,642,952	0	1,642,952
0	100000000		1,012,002	U	1,012,332
	Recap Material Deductions:				
2			0	0	
3			0	0	
4			0	. 0	
6		-	0	0	0
	Total Other Deductions exceed materiality level		0	0	
	Other Deductions less than materiality level		0	0	
	Total Other Deductions		0	0	
0					
	FAXABLE INCOME	=	2,252,986	0	2,252,986
	DEDUCT:				
	Non-capital loss applied	- 2			0
4	Net capital loss applied NET TAXABLE INCOME	-	2,252,986	0	2,252,986
6	NET TAXABLE INCOME	1	2,232,300	0	2,252,900
	Net Federal Income Tax	+	543,420		543,420
8	Net Ontario Income Tax	+	282,602		282,602
9	Subtotal	=	826,022	0	826,022
	ess: Miscellaneous tax credits	- 1			0
2	Total Income Tax		826,022	0	826,022
3					
	Section D: Detail calculation of the Ontario Capital Tax				
	ONTARIO CAPITAL TAX				
6 (From Ontario CT23)				
7 5	PAID-UP CAPITAL				
8					
	Paid-up capital stock	+	16,161,663		16,161,663
	Retained earnings (if deficit, deduct) Capital and other surplus excluding	+/-	1,404,876		1,404,876
2	appraisal surplus	- ‡			0
	oans and advances	+ .	16,572,997		16,572,997
	Bank loans	+			0
5 E	Bankers acceptances	+			0
	Bonds and debentures payable	+			0
	Mortgages payable	+			0
	Lien notes payable	+			0
	Deferred credits Contingent, investment, inventory and similar reserves	+			0
	Other reserves not allowed as deductions	+			0
	Share of partnership(s), joint venture(s) paid-up capital	+	19,921		19,921
3	Sub-total	=	34,159,457	0	
4 8	Subtract:				
	Amounts deducted for income tax purposes in excess of amounts				
511	pooked				0
	Deductible R&D expenditures and ONTTI costs deferred for income				
1	gA .	=	34,159,457	0	34,159,457
6 t	Total (Net) Paid-up Capital		54,159,457	U	34,139,437
6 t	Total (Net) Paid-up Capital				
6 t	The state of the s				
6 t	Total (Net) Paid-up Capital ELIGIBLE INVESTMENTS				
6 t	The state of the s	+			0
6 t 7 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	ELIGIBLE INVESTMENTS Bonds, lien notes, interest coupons Mortgages due from other corporations	+			0
6 t 7 8 9 E	CLIGIBLE INVESTMENTS Bonds, lien notes, interest coupons Mortgages due from other corporations Shares in other corporations	+	924,617		924,617
6 t 7 8 9 E	ELIGIBLE INVESTMENTS Bonds, lien notes, interest coupons Mortgages due from other corporations Shares in other corporations Loans and advances to unrelated corporations	+ + + + + +			924,617 0
6 t 8 9 E 8	ELIGIBLE INVESTMENTS Bonds, lien notes, interest coupons Mortgages due from other corporations Shares in other corporations coans and advances to unrelated corporations Eligible loans and advances to related corporations	+ + + + + + + + + + + + + + + + + + + +	865,551		0 924,617 0 865,551
6 t 8 9 E 8	ELIGIBLE INVESTMENTS Bonds, lien notes, interest coupons Mortgages due from other corporations Shares in other corporations Loans and advances to unrelated corporations	+ + + + + +			924,617 0

1 SEC	TION 93 PILS TAX GROSS-UP "SIMPIL"	LINE	M of F	D Non-wires	E Wires-only
	RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax
3 (for *	wires-only" business - see s. 72 OEB Act)		Tax		Return
4			Return		
5		_			Version XX.xx
80 81 TOT	AL ASSETS				
82	AL AUGUTO				
	assets per balance sheet	+	40,940,086		40,940,086
	gages or other liabilities deducted from assets	+			0
	e of partnership(s)/ joint venture(s) total assets	+ .	24,814		24,814
186 Subt	ract: Investment in partnership(s)/joint venture(s)		35,811		35,811
	I assets as adjusted	2	40,929,089	0	40,929,089
189					
	(if deducted from assets)				
	ntingent, investment, inventory and similar reserves	+			0
92 Oth 93 Subt	er reserves not allowed as deductions	- * -			0
	unts deducted for income tax purposes in excess of amounts				
194 book		~			0
	uctible R&D expenditures and ONTTI costs deferred				0
	come tax				
	ract: Appraisal surplus if booked or subtract: Other adjustments				0
197 Add	or subtract. Office adjustments	+/-			0
	al Assets	=	40,929,089	0	40,929,089
200					
201			1 2 2 2 2 2		
202 Inve	stment Allowance	_	1,519,887	0	1,519,887
	able Capital				
205	oopna.				
	paid-up capital	+	34,159,457	0	
	ract: Investment Allowance		1,519,887	0	1,519,887
208 209 Tax	inhia Coollat	= 1	32,639,570	0	32,639,570
210	cable Capital		32,039,570	0	32,639,570
	ital Tax Calculation				
	uction from taxable capital up to \$5,000,000		4,686,438		4,686,438
213					
	Taxable Capital		27,953,132	0	27,953,132
215 216 Rate	9 0.3%		0.3000%	0.3000%	0.3000%
217	0.070		0.000070	0.000070	0.000070
	s in taxation year		365	365	365
	le days by 365		1.00	1.00	1.00
220	Ontario Conital Tay		83,859	0	83,859
222	Ontario Capital Tax		83,859	0	03,059
223					
	GE CORPORATION TAX				
	m Federal Schedule 33)				
226 CAP 227 ADD					
	erves that have not been deducted in computing income for the				BICLESSON A
	under Part I	+			0
229 Capi		+	16,161,663	0	
	ined earnings	+	1,404,876		1,404,876
	tributed surplus other surpluses	+			0
	other surpluses erred unrealized foreign exchange gains	+			0
	oans and advances to the corporation	+	16,147,787		16,147,787
All in	debtedness- bonds, debentures, notes, mortgages, bankers	+			
	ptances, or similar obligations				0
	dividends declared but not paid ther indebtedness outstanding for more than 365 days	+	431,027		431,027
238	and modernous outstanding for more than 300 days		431,027		431,027
	ubtotal	=	34,145,353	0	34,145,353
240	000000 11 11 11 11 11 11 11 11 11 11 11				
241 DED					NAME OF TAXABLE PARTY.
the second second	erred tax debit balance	-			0
	deficit deducted in computing shareholders' equity patronage dividends 135(1) deducted in computing income	-			MARKET BELLEVILLE
	er Part Lincluded in amounts above				0
245 Defe	rred unrealized foreign exchange losses				0
246					ESCHARGO.
	ubtotal	=	0	0	0
248	ital for the year		34,145,353	0	34,145,353
240 Cam					

	A	В	C	D	E	1
1 SE	ECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2 TA	AX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3 (10	or "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4			Return		POWER DESIGNATION OF THE PARTY	
5					Version XX.xx	
	VESTMENT ALLOWANCE					
252						
253 St	nares in another corporation	+	865,552		865,552	
	oan or advance to another corporation	+	803,818		803,818	
	ond, debenture, note, mortgage, or	+	865,551		865,551	
	similar obligation of another corporation	+			0	
	ong term debt of financial institution	+			0	
	vidend receivable from another corporation	+			0	
	ebts of corporate partnerships that were not exempt from tax	4				
management of the same	nder Part I.3				0	
	terest in a partnership	+	35,811.		35,811	
261			0.570.755		0.570.700	
	Investment Allowance	=	2,570,732	0	2,570,732	
263						
264	AVARI E CARITAL					
266	AXABLE CAPITAL					
	apital for the year	1	34,145,353	ol	34,145,353	-
268	apnarior trie year	= [34,145,353	U _I	34,145,353	
	educt: Investment allowance	-	2,570,732	ol	2,570,732	
270	educi, investment anowance	- 2 1	2,370,732	O)	2,370,732	
	Taxable Capital for taxation year	- 1	31,574,621	0	31,574,621	
272	Tundo ouplier for toxidion year		01,074,021	- 0	01,011,021	
	educt: Capital Deduction \$10,000,000	- 1	10,000,000	0	10,000,000	
274	The state of the s		1510001000	-	(0)000 000	
	Taxable Capital	= [21,574,621	0	21,574,621	
276	CONTROL AND					
	ate .225%		0.22500%	0.22500%	0.22500%	
278	CALL CONTROL C					
279 D	ays in year		365	365	365	
280 Di	ivide days by 365		1.0000	1.0000	1.0000	
281			1			
282 G	ross Part I.3 Tax LCT	=	48,542.90	0.00	48,542.90	
283						
	ederal Surtax Rate		1.1200%	1.1200%	1.1200%	
285						
	ess: Federal Surtax = Taxable Income x Surtax Rate		25,233	0	25,233	
287						
	et Part I.3 Tax LCT Payable	=	23,309	0	23,309	_
	surtax is greater than Gross LCT, then zero)	-				
290						
Addition to the last	ECAP:	1	200 500	12.00	nee earl	
	otal Income Taxes	+	826,022	0	826,022	
	ntario Capital Tax	+	83,859	0	83,859	
	ederal Large Corporations Tax	- + 1	23,309	0	23,309	
295	stat to a kind a south at the state of the s		000 101		000 404	
296 10	otal income and capital taxes	=	933,191	0	933,191	

	A	В	С	D	E	F
1 :	SECTION 93 PILS TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (Tax Reserves)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s. 72 OEB Act)		Tax		Return	
4			Return			
5			- Constitution (m.)		Version XX.xx	
6						
	Utility Name: HALTON HILLS HYDRO INC.					
	Reporting period: DECEMBER 31, 2003					
9						
10	TAX RESERVES					
	Opening balance:					
12	Accrued contingent liability				0	
13					0	
14					0	
15					0	
16					0	
17					0	
18					0	
19					0	
20					0	
21	Total (carry forward to the TAXREC worksheet)		0	0	0	
22						
23	Ending balances:					
	Accrued contingent liability				0	
25					0	
26					0	
27					0	
28					0	
29					0	
30					0	
31					0	
32					0	
33	Insert line above this line				0	
	Total (carry forward to the TAXREC worksheet)		0	0	0	
35						-

	A	В	С	D	Е	F
1						
-	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
-	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
5	(for "wires-only" business - see s. 72 OEB Act)	-	Tax Return		Return	
6			Hetom		Version XX.xx	
7						
	Utility Name: HALTON HILLS HYDRO INC.					
9	Reporting period: DECEMBER 31, 2003					
	Number of days in taxation year:		365	days		
	Materiality Level:		31,316			
12	Section C: Reconciliation of accounting income to taxable income					
	Add:	-				
	Recapture of capital cost allowance	+			0	
	Gain on sale of eligible capital property	+			0	
	Income or loss for tax purposes- joint ventures or partnerships	+			0	
	Loss in equity of subsidiaries and affiliates	+			0	
	Loss on disposal of assets	+			0	
	Charitable donations	+			0	
21	Taxable capital gains	+			0	-
	Depreciation in inventory -end of year Scientific research expenditures deducted	+			0	
24	per financial statements	+			0	
25	Capitalized interest	+			Ö	
26	Non-deductible club dues and fees	+		11.5	0	
27	Non-deductible automobile expenses	+			0	
	Non-deductible life insurance premiums	+			0	
	Soft costs on construction and renovation of buildings	+			0	
	Book loss on joint ventures or partnerships Capital items expensed	+			0	
	Debt issue expense	+			0	
	Deemed dividend income	+			0	
	Dividends credited to investment account	+			0	
	Financing fees deducted in books	+			0	
	Gain on settlement of debt	+			0	
	Interest paid on income debentures	+			0	
	Recapture of SR&ED expenditures	+			0	
	Share issue expense Write down of capital property	+			0	
	Amounts received in respect of qualifying environment trust	+			0	
	Other Additions: (please explain in detail the nature of the item)	+			0	
	Employee future benefit costs accrued	+	15448		15448	
	Provision for bad debts	+	52983		52983	
	Interest & penalties	+	289		289	
46		+			0	
47		+			0	
49		+	1		0	
50		+			0	
51		+			0	
52		+				
53	Total Additions	=	68720	0	68720	
54	Denom of Material Additions					
55 56	Recap of Material Additions:		0	0	0	
57			0	0	0	
58			0	0		
59			Ö	0	0	
60			Ö	0		
61			0	0	0	
62		_	0	0		
63 64			0	0		
65		+	0	0		
66			0	0		
67			Ö	Ö		
68			0	0	0	
69			0	0		
70		_	0	0		
71		-	0	0		-
72 73		+	0	0		
74		_	0	0		
75			Ö	0		
76			0	0	0	
77			0	0		
78			0	0		
79		_	0			
80		+	0			
101	L					

_	A HOMBILL	B	C	D	E F
	SECTION 93 PILs TAX GROSS-UP "SIMPIL" TAX RETURN RECONCILIATION (TAXREC 2)	LINE	M of F Corporate	Non-wires Eliminations	Wires-only Tax
4	(for "wires-only" business - see s. 72 OEB Act)		Tax	Eliminations	Return
5	the mile only business seed it is seen by		Return		- Notari
6					Version XX.xx
82			0	0	0
83			0	0	0
84			0	0	0
85 86	Provision for bad debts		52983 0	0	52983 0
87		_	0	0	0
88			0	0	Ö
89			Ô	O	0
90			0	0	0
91			0	0	0
92		\rightarrow	0	0	0
93	Total Material additions	-	52983	0	52983
	Other additions less than materiality level		15737	0	15737
96	Total Additions		68720	0	68720
97					
	Deduct:				
	Gain on disposal of assets per t/s				0
	Dividends not taxable under section 83				0
	Terminal loss from Schedule 8 Depreciation in inventory, end of prior year				0
	Scientific research expenses claimed in year from Form T661				0
	Bad debt		66837		66837
	Book income of joint venture or partnership		- District Market		0
106	Equity in income from subsidiary or affiliates				as each territor 0
107	Contributions to a qualifying environment trust				0
	Other income from financial statements				0
	Other deductions: (Please explain in detail the nature of the item) Employee future benefits paid		13548		13548
111	Employee luture benefits paid		13346		0
112					Ö
113					0
114		- 1			0
115					0
116					0
117 118					0
119					Ö
120					0
121		=	80385	0	80385
122					
	Recap of Material Deductions:				
124			0	0	0
126			0	0	0
127			ő	0	Ö
128			0	0	0
129	Bad debt		66837	0	66837
130			0	0	0
131 132			0	0	0
133			0	0	0
134		-	0	0	0
135			0	0	0
136			0	0	0
137			0	0	0
138			0	0	0
139 140			0	0	0
141		_	0	0	0
142			0	0	0
143			Ö	0	Ö
144			0	Ö	0
	Total Deductions exceed materiality level		66837	0	66837
	Other deductions less than materiality level		13548	0	13548
	Total Deductions		80385	0	80385
148	I.				

	Α	В	С	D	Е	F	_	G	G	G	G H	G H
1	SECTION 93 PILs TA	X GROSS	UP "SIMPIL"					•	•		1	1
2	Corporate Tax Rates											
3												
4	Income Range		0	200,001	>700,000							
5			to	to								
6		Year	200,000	700,000								
	Income Tax Rate	vetto arrivado		2010 20100-11								
8	Current year	2003	19.12%	34.12%	38.62%							
9	Capital Tax Rate		0.30%									
10	LCT rate		0.225%									
11	Surtax		1.12%									
	Ontario Capital Tax		5,000,000									
12	Exemption		3,000,000			l						
	Federal Large					ı						
	Corporations Tax		10,000,000			ı						
13	Exemption											
14						l						
	Income Range		0	225,001	>700,000	l						
16	! !		to	to		ŀ						
17		Year	225,000	700,000		l						
18	Income Tax Rate					ı						
	Income Tax Rates	2004	18.62%	32.12%	36.62%	l						
	used to gross up		1 1			l						
	the deferral					I						
	account allowance		1 1									
19	variance		1									
20												
21	Income Range		0 1	250,001	>700,000							
22			to	250,001 to	>700,000							
23		Year	250,000	700,000								
100000	Income Tax Rate		1 200,000	. 00,000								
	Income Tax Rates	2005	18.62%	32.12%	36.62%							
	used to gross up		District Control of the Control of t		NAMES OF STREET			i				
	the true up					I						
	variance		1 1			١						
25) (Alter a 16 (Alta 25)											

	Α	B*	С	D	Е	F	G
1		SECTION 93 PILs TAX GROSS-UP "SIMPIL"					Version XX.xx
2		Filing Requirements related to the "SIMPIL" model				-	
3	-	Utility Name: HALTON HILLS HYDRO INC.					
4	-	Reporting period: DECEMBER 31, 2003					
5						U	
6		Documents to be submitted to the Board when filing the Initial Est	imate Col	umn inf	ormatio	n:	
7		(Stage 1 filing: normally in January of the reporting period)				T	
8						1	
9	1)	REGINFO spreadsheet					
10							
11	2)	TAXCALC spreadsheet					
12	-/	TAXOALO OPICAGONOST		-			
_	3)	CCA schedule prepared for regulatory purposes					
14	٥,	COA schedule prepared for regulatory purposes					
_	4)	TAY DATES enreadeheet		$\overline{}$			
16	4)	TAX RATES spreadsheet					
	-	Checklist		$\overline{\mathbf{H}}$			
	5)	Checklist		ш.			
18							<u> </u>
	6)	Electronic format of the SIMPIL spreadsheets		Ш_		i	
20							
21		Documents to be submitted to the Board when filing the Deferral	Account A	llowand	e Colum	ın informat	ion:
22	_	(Stage 2 filing: normally in December of the reporting period)					
23							
24	1)	REGINFO spreadsheet		Ш.			
25							
26	2)	TAXCALC spreadsheet					
27							
	3)	Revised CCA schedule prepared for regulatory purposes if					
28		changes have been made		\Box			
29							
30	4)	TAX RATES spreadsheet					
31							
32	5)	Checklist				1	
33							
34	6)	Electronic format of the SIMPIL spreadsheets					
35							
36		Documents to be submitted to the Board when filing the Ministry		Colum	n inform	ation:	
37		(Stage 3 filing: normally in July of the year following the reporting	period)	1			
38							
	1)	REGINFO spreadsheet		Υ		1	
40							
41	2)	TAXCALC spreadsheet		Υ			
42							
43	3)	TAXREC, TAXREC 2 spreadsheets		Y			
44							
45	4)	TAX RESERVES spreadsheet		Y			1
46	1	·					
	5)	BACKGROUND QUESTIONNAIRE spreadsheet		Y			
48	-					1	
-	6)	CONTINUITY SCHEDULE OF ACCOUNT # 1562		Y		1	
50	,	TOTAL MARKET CONTROL OF THE PROPERTY OF THE PR					
-	7)	Financial statements used to prepare tax returns if different from		N/A		1	
	[''	the audited financial statements previously submitted to the		100			Į
51		Board					
52	-	Doard		_		-	1
-	8)	TAX RATES worksheet		V		 	+
54	1°)	INV HATES MOLKSHEET		-		-	
	0)	Charlint		Y			
	9)	Checklist		ш		-	
56				1		1	
57	10)	Electronic format of the SIMPIL worksheets		Υ		1	

	ΑΙ	В	С	D	E	F	G	н
1		SECTION 93 PILs TAX GROSS-UP	"SIMPIL"					
2		QUESTIONNAIRE						
3		Utility Name: HALTON HILLS HYDRO INC).					
4		Reporting period: DECEMBER 31, 2003						Version XX.xx
5								
6	1	Does the company engage in non-regulat	ed activities?					
7		Answer: NO						
8			1				1	
9								
10		If the answer to question 1 is "NO", pleas			<u></u>		-	
11		Please identify the types of non-wire ope	rations carried on	by the LDC			+	
12 13		Answer:				-		
14							+	
15	-					-		
16	3	Does the LDC intend to transfer the non-	wire operations to	a separate	legal entity	and the ex	pected d	late?
17	-	Answer:						
18								
19								
20								
21	4	Please identify the percentage and amou	nt of gross revenu	es arising	from non-wir	e operatio	ns.	
22		Answer:						
23								
24				İ				
25	5	Please identify the percentage and amou	nt of operating exp	ense incu	rred pertainii	ng to non-	wire ope	rations.
26		Answer:			1		ļ i	
27					1		1	
28 29	_	Disco identify the nevertees and serve	_1 _1 _1 _1 _1 _1 _1	and annita	I seet allows	noo ovnon	ooo port	oining
30		Please identify the percentage and amou to non-wire operations.	nt or depreciation	апо сарна	ii cost allowa	nce expen	ses pert	allilly
31		Answer:					1	
32		Allawel.						
33								
34	7	Did the company incur any OPEB (Other	Post Employment	Benefits)	expenditure f	or accoun	ting and	tax purposes? (P
35		Answer: YES	Accounting - 15,4		Tax - 13,548			
36								
37	8	Did the company have any reserve for ac	counting and tax p	ourposes?	(Please ider	tify the an	nount.)	
38		Answer: NO						
39		H						
40						<u> </u>		
41		OTHER PERTINENT INFORMATION:				-		
42	9	Did the LDC incur any transition costs?					-	
43 44		Answer: YES					-	
45				-	-			
46		If the answer to question 9 is "NO", pleas	e ekin guestion 10) and 11	-			
47		Please identify the amount of transition of			consumers	during the	reportin	a period.
48	10	Answer: 177,899	oots recovery rec	ived irein	Concamoro			9 1011001
49		,	1					
50								
51	11	Please identify the amount of transition of	osts deducted for	accountin	g and tax pu	rposes.		
52		Answer:						
53			Accounting		Tax			
54		Amortization/CCA claimed	113,580		113,580			
55		Other expensed	0	_	C			
56		Total	113,580	•	113,580	-		
57		Transition costs capitalized	0		C			
		Incurred prior to October 1, 2001 & non-	0		C)		
58		deductible for tax purposes						

Α	В	С	D	E	F	G	Н		J	K	L	М	N	0
1 SECTION 93 PILs TAX GRO	SS-UP	"SIMPIL"												
2 Analysis of Account 1562:	Defer	red Payment	in lie	eu of Taxes										
3														
4														
5 Utility Name: HALTON HILL														
6 Reporting period: DECEME	BER 31,	2003												
7														
8														
9 Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
10 Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		12/31/2006	To	otal
11														
12 Opening balance:	=			0		140,444		24,938		24,938		24,938		0
Initial Estimate PILs Rate	+/-			101101 Tarana		0.0000000000	j i							
13 Adjustment(1)				954,398		1,145,278					_		- 4	2,099,676
Deferral Account Variance	+/-					1							- 1	
14 PILs Rate Adjustment(2)				0		0	-				_			0
Deferral Account Entry	+/-			(1.10.011)		(000 000)								(400.074)
15 (True-up adjustments) (3)	, ,			(149,011)		(253,863)								(402,874)
16 Carrying charges	+/-			2,863		5,785	-							8,648
PILs collected from	_			007 000		1 010 700		1						
17 customers	-	0	-	667,806	_	1,012,706			-					1,680,512
18		0	-	140 444	-	04.000		24,938	-	24,938	-	24,938		24.938
19 Ending balance:	-		-	140,444	_	24,938		24,936		24,930	e	24,930		24,930
20	-		\vdash								_		7.5	
21 Note:					150									
22 The purposes of this workshe							Flori	de Distribution	_ 1 14	citat				
23 For explanation of Account 15	b2 plea	se refer to Ac	coun	ting Procedur	es r	landbook for	Elect	ric Distributio	n Ut	liities			-	
	J	<u> </u>					-				-			
25 Please identify the accounting 26 Answer: Accrual basis	ng met	noa usea to a	acco	unt for the P	ILS	recovery.	-		-		-			
27 Answer: Accrual basis	-	1			-		-		-		-		-	
28	-	1							-					-
29	-	-				-	-							
30 (1) in the Initial Estimate Colu	mn urc	lar Inclusion is	n Rot	es Part III of	the	TAXCALC on	read	choot					-	
31 (2) in the Deferral Account Va									no ot				-	
32 (3) in the Ministry of Finance														
33 (3) Iff the Milistry of Finance	Valiance	e Column, und	JOI F	atare mue-up	ю, Г	art iv Ortile I	ANC	vero shiedas	1166					
33	1.		I						_		_		_	

	A	В	C	D	E
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"				Version 2004.1
2	REGULATORY INFORMATION (REGINFO)				RRR # 2.1.8
3	Utility Name: HALTON HILLS HYDRO INC.				
	Reporting period: 2004				
5					
	Days in reporting period:	366	days		
	Total days in the calendar year:	366	days		
8					
	BACKGROUND				
	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate tax (and therefore subject to PILs)?		Y/N	Υ	
13	tax (and therefore subject to PILS)?		17/19		
14	Was the utility recently acquired by Hydro One				
15	and now subject to s.89 & 90 PILs?		Y/N	N	
17	Is the utility a non-profit corporation?		Y/N	N. T.	
	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)		17/19	IN	
10			\		
	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Y	
	shared among the corporate group?	LCT	Y/N	Υ.	- for 2004 only
	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C65 & C74 in the TAXCALC spreadsheet.	LCT		100%	
	Accounting Year End		Date	12-31-2004	
20					
	MARR NO TAX CALCULATIONS				Regulatory
	SHEET #7 FINAL RUD MODEL DATA				Income
	(FROM 1999 FINANCIAL STATEMENTS)				
	USE BOARD-APPROVED AMOUNTS				
30	Rate Base (wires-only)			25 052 060	
UZ				25,052,968	
33	Common Equity Ratio (CER)			50.00%	
35	1-CER			50.00%	
37	Target Return On Equity			9.88%	
-00					
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			2,145,787	
43	1999 return from RUD Sheet #7			0	0
100					Ŭ
45	Total Incremental revenue			2,145,787	
46	Input: Board-approved dollar amounts phased-in			747.000	745.000
47	Amount allowed in 2001			715,298	
48	Amount allowed in 2002			715,298	
49 50	Amount allowed in 2003 and 2004 (will be zero due to Bill 210			0	0
51	unless authorized by the Minister and the Board)				0
52					0
53	Total Regulatory Income	_			1,430,596
54	. Jun regulatory modific				1,100,000
	Equity			12,526,484	
56				, , 1	
	Return at target ROE			1,237,617	
58					
	Debt			12,526,484	
60					
	Deemed interest amount in 100% of MARR			908,170	
62					
	Phase-in of interest - Year 1 (2001)			302,738	
64	((D43+D47)/D41)*D61				
	Phase-in of interest - Year 2 (2002)			605,477	
66	((D43+D47+D48)/D41)*D61				
	Phase-in of interest - Year 3 (2003) and forward			605,477	
68	((D43+D47+D48)/D41)*D61 (due to Bill 210)				
69					
70					
71	OMADII MODEL 000 /		1		

	A	В	С	D	E	F	G	нТ		J	К	
1	SECTION 93 PILS TAX GROSS-UP "SIMPIL"	ITEM	Initial		-	-	9		M of F	M of F	M of F	
	DEFERRAL/VARIANCE ACCOUNTS	1112111	Estimate						Filing	Filing	Filing	
	TAX CALCULATIONS (TAXCALC)		Louinato						Variance	Variance	1,111134	
	("Wires-only" business - see Tab TAXREC)								K-C	Explanation	(June)	
5	RRR # 2.1.8										Version 2004.1	
6			\$						\$		\$	
	Utility Name: HALTON HILLS HYDRO INC.											
	Reporting period: 2004										Column	
	Days in reporting period:	366	days			_	_				Brought	
	Total days in the calendar year:	366	days	_	_	-	_	-			From	_
11		-		_	-		-	-			TAXREC	-
12	I) CORPORATE INCOME TAXES	-		_	-	-	-					-
14	I CORPORATE INCOME TAXES	-		_	_	-	_		-			_
	Regulatory Net Income REGINFO E53	1	1,430,596						1,077,432		2,508,028	
16	regulatory not income reconst o 200		1,400,000	_		1	_		1,011,100		2,000,020	_
	BOOK TO TAX ADJUSTMENTS	1										
18												
	Additions:											
20	Depreciation & Amortization	2	1,059,367						753,098		1,812,465	
	Employee Benefit Plans - Accrued, Not Paid	3							40,768		40,768	
22	Tax reserves - beginning of year	4				-		\vdash	0		0	
23	Reserves from financial statements - end of year	4	404.400	-	_		-	\vdash	0		0	
25	Regulatory Adjustments - increase in income Other Additions (See Tab entitled "TAXREC")	5	151,437		_		-	1	-151,437		0	-1
26	"Material" Items from "TAXREC" worksheel	6		-	_			\vdash	0		0	-1
27	Other Additions (not "Material") "TAXREC"	6			_		_		0	-	0	
28	"Material Items from "TAXREC 2" worksheet	6		_					363,593		363,593	
29	Other Additions (not "Material") "TAXREC 2"	6							5,414		5.414	
30												
	Deductions: Input positive numbers											
	Capital Cost Allowance and CEC	7	1,072,272						-515,254		1,587,526	
33	Employee Benefit Plans - Paid Amounts	8		_	_			\vdash	-20,269		20,269	
	Items Capitalized for Regulatory Purposes	10	55,617	-	_			\vdash	55,617		0	
	Regulatory Adjustments - deduction for tax purposes in Item 5 Interest Expense Deemed/ Incurred	11	605,477					\vdash	-565,466	-	1,170,943	
	Tax reserves - end of year	4	000,477						-505,400		1,170,343	
	Reserves from financial stalements - beginning of year	4							0		Ö	_
	Contributions to deferred income plans	3							Ö		0	
	Contributions to pension plans	3							0		Ö	
41	Interest capitalized for accounting but deducted for tax	11							0		0	
42	Other Deductions (See Tab entitled "TAXREC")			_				\sqcup	0			
43	"Material" Items from "TAXREC" worksheet	12		_	_		-	\vdash	0		0	
44	Other Deductions (not "Material") "TAXREC"	12		-	_	-	-	-	0		0	
46	Material Items from "TAXREC 2" worksheet Other Deductions (not "Material") "TAXREC 2"	12		_	_	-			-27,699		27,699	
47	Other Deductions (not Material) TAXILLO 2	1 '-		-	_	-			-21,000		27,000	
48	TAXABLE INCOME/ (LOSS)	1	908,034						1,015,797	Before loss C/F	1,923,831	
49												
	BLENDED INCOME TAX RATE						\vdash					
51	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	38.62%	_	_	-	\vdash		-2.5600%		36.06%	-
52 53	REGULATORY INCOME TAX	-	350,683	_	-	-	-	\vdash	225,972	Actual	576,655	\vdash
54	REGULATORT INCOME TAX	1	350,003	<u> </u>				\vdash	223,312	Acidal	370,000	
55												
56	Miscellaneous Tax Credits	14	EVERISHINGS						0	Actual	0	
57	THATHOCHEROUPPACHTON DEPOSITIONS									10		
58	Total Regulatory Income Tax		350,683						225,972	Actual	576,655	
59						_	_					
60	W CARITAL TAYER	-		-	_	-	-					-
62	II) CAPITAL TAXES	-			-		-	-				-
	Ontario	_		-	_	1	1	\vdash				\vdash
	Base	15	25,052,968	-	-	-	1	\vdash	9,419,216		34,472,184	
65	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	5,000,000		$\overline{}$	1	1	\vdash	-315,157		4,684,843	
66	Taxable Capital		20,052,968						9,104,059		29,787,341	
67												
	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%	_					0.0000%		0.3000%	
69	0.1.1.0.11.17.	-	00.455	-	-		-	\vdash	00.000		20.000	\vdash
70 71	Ontario Capital Tax	-	60,159		-	-	-	\vdash	29,203		89,362	\vdash
72	Federal Large Corporations Tax						1					\vdash
	Base	18	25,052,968					\Box	7,516,512		32,569,480	
74	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	10,000,000						35,995,000		45,995,000	
75	Taxable Capital	1	15,052,968						43,511,512		0	
76	91944-20											
77	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.2250%						-0.0250%		0.2000%	
78				-	-	-		\vdash				-
79 80	Gross Amount of LCT before surlax offset (Taxable Capital x Rate)	- 04	33,869		-	-	-	\vdash	-33,869		0	
81	Less: Federal Surtax 1.12% x Taxable Income	21	10,170	-		1	-	\vdash	-10,170		- ·	
	Net LCT	1	23,699			-	1	\vdash	-44,039		0	\vdash
83			20,000						,550			
					_							

SECTION SPELA TAX GROSS-UP "SIMPLL" TEM Initial Estimate GEREPARA JANAGE ACCOUNTS Filling Fi		A	В	С	DE	F	G	нТ		J	К	1
DEFERRAL/MARANCE ACQUINTS Filting Filtin	1					+	-	+	M of F			-
Comparison Com	2	DEFERRAL/VARIANCE ACCOUNTS										
Second Processing Content of the C								_				
B INCLUSION IN RATES					_	_	-	-	K-C	Explanation		
State Stat		NNN # 4.1.0		· s		1	\vdash	+	\$			
Bit	_	III) INCLUSION IN RATES		·		_		T	*			
B	85											
Second Plan		Income Tax Rate used for gross- up (exclude surtax)	٠,	37.50%				_				
29 17 (rows tats is grossed-up)		Income Tay (argue toy is greened up)	22	E64 000	_	-	-	-		Actual 2004	576 GEE	
Society Company Comp					_	+		-			370,033	
State Pile for Rate Adjustment - MUST AGREE WITH 2002 25 655 170 Actual 2004 668.0											89,362	
10								_				
State		T-4-184 - 4-18-4 - 4-14-4 - 4-14-10T-1-0REF 14674 0000	- 05	252 172		-	-	-			200 047	-
S S Future True-up S S O Calculation of the True-up Variance S N O Calculation of the True-up Variance S N O Calculation of the True-up Variance S N O O O O O O O O O	93		25	659,170	_	-	-	+		Actual 2004	666,017	-
Second Content		KAM DEGISION				_		_				\vdash
Solid Continue C	96											
Solid Additions:								_				
100 Employee Benefit Plans - Account Not Peld 3								_	DR/(CR)			
101 Tex reserves decluded in prior year			2		_	+-	-	-	40.709			_
102 Reserves from financial statements-end of year								-				\vdash
103 Regulatory Adjustments												
150 Diter additions - Material* Items TAXREC 2 6 303,593	103	Regulatory Adjustments	5									
106 International Control							-	1				_
107 Employee Benefit Plans - Pelid Amounts			p,		-	_		+	363,593		-	\vdash
108 Items Capitalizad for Regulatory Purposes 9			8					1	-20.269			
110 Interest Adjustment for tax purposes See Below - cell 1204 11	108	Items Capitalized for Regulatory Purposes	9						0			
111 Tax reserves dalimed in current year												-
112 Reserves from F/S beginning of year					-	+	\vdash	+				\vdash
113 Contributions to deferred income plans 3 0 114 Contributions to pension plans 3 0 0 115 Contributions to plans 115 Contributions 115								1				
115 Other deductions "Material" Items TAXREC 12	113	Contributions to deferred income plans							0			
116 Other deductions "Material" Item TAXREC 2 12								_				
118 Total TRUE-UPS before tax effect = 45,197								-				-
118 Total TRUE-UPS before tax effect		Other deductions Material Item TAXREC 2	12		_		+	-			-	_
120 Income Tax Rate (excluding surtax) from 2004 Utility's tax return		Total TRUE-UPS before tax effect	26				=		-45,197			
122 Income Tax Effect on True-up adjustments								_				
122 Income Tax Effect on True-up adjustments		Income Tax Rate (excluding surtax) from 2004 Utility's tax return			_	+	×	\dashv	35.00%			-
124 Less: Miscellaneous Tax Credits		Income Tay Effect on True-up adjustments				_			-15.819			-
124		miconie Tax Ellect on True-up adjustments				+	H	1	-10,015			-
128 Total Income Tax on True-ups -15,819	124	Less: Miscellaneous Tax Credits	14						0			
128 Income Tax Rate used for gross-up (exclude surtax) 30,75% 129 130 TRUE-UP VARIANCE ADJUSTMENT (22,843) 131 W b) Calculation of the Deferral Account Variance caused by 132 changes in legislation 133 REGUIATORY TAXABLE INCOME (LOSSES) (as reported in the initial 134 estimate column) = 908,034 135 136 REVISED CORPORATE INCOME TAX RATE x 31,87% 137 138 REVISED REGUIATORY INCOME TAX RATE x 31,87% 139 REVISED REGUIATORY INCOME TAX = 289,390 139 140 Less: Revised Miscellaneous Tax Credits - 0 141 142 Total Revised Regulatory Income Tax = 289,390 143 Less: Regulatory Income Tax = 289,390 143 Less: Regulatory Income Tax reported in the Initial Estimate Column 144 Cell C58) - 350,683 145 Regulatory Income Tax Variance = (61,292) 148 Regulatory Income Tax Variance = 25,052,968 148 Revised deemed taxable capital = 20,052,968 150 Less: Exemption from tab Tax Rates, Table 2, cell C39 = 20,052,968 153 Revised deemed taxable capital = 20,052,968 153 Revised capital = 20,052,968 153 Revised capital = 20,052,968 153 Rate - Tab Tax Rates cell C54 x 0,3000% 151 Revised Capital x 0,3000% 151 Revised Capital Tax x 0,3000% 151 Revised					_	-	\vdash	-	45.010			
128 Income Tax Rate used for gross-up (exclude surtax) 30,75% 30,75		Total Income Tax on True-ups			-	+	\vdash	-	-15,819			-
129		Income Tax Rate used for gross-up (exclude surtax)						1	30.75%			
131												
V b) Calculation of the Deferral Account Variance caused by changes in legislation		TRUE-UP VARIANCE ADJUSTMENT				_		-	(22,843)			_
132 changes in legislation	131	IV b) Coloulation of the Deformal Associat Veriance coursed by				_	-					
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial settimate column)	122							- 1				
REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial estimate column) 34 estimate column) 35 REVISED CORPORATE INCOME TAX RATE 37		changes in registation			_	+		-				-
134 estimate column)		REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial					\vdash	1				
136 REVISED CORPORATE INCOME TAX RATE								=	908,034			
137		REVISED CORROBATE INCOME TAX DATE							01.07-1		-	_
138 REVISED REGULATORY INCOME TAX		MEVIOED CURPORATE INCOME TAX KATE						×	31.87%			1
139 140 Less: Revised Miscellaneous Tax Credits		REVISED REGULATORY INCOME TAX						=	289,390			
141	139											
142 Total Revised Regulatory Income Tax = 289,390 143 Less: Regulatory Income Tax reported in the Initial Estimate Column 144 (Cell C58) - 350,683 145 = (61,292) 146 Regulatory Income Tax Variance = (61,292) 147 = 25,052,968 148 Ontario Capital Tax = 25,052,968 150 Less: Exemption from lab Tax Rates, Table 2, cell C39 - 5,000,000 151 Revised deemed taxable capital = 20,052,968 152 = 20,052,968 153 Rate - Tab Tax Rates cell C54 x 0.3000%		Less: Revised Miscellaneous Tax Credits				-		-	0			-
Less: Regulatory Income Tax reported in the Initial Estimate Column - 350,683		Total Revised Regulatory Income Tax	-		-	-			289 390		-	1
Less: Regulatory Income Tax reported in the Initial Estimate Column 144 (Cell C58)		Total Novised Negalatory Income Tax					\vdash	-	203,330			1
145 (61,292) 146 (61,292) 147 (61,292) 148 Ontario Capital Tax 149 Base 150 Less: Exemption from lab Tax Rates, Table 2, cell C39 151 Revised deemed taxable capital 152 20,052,968 153 Rate - Tab Tax Rates cell C54								1				Г
146 Regulatory Income Tax Variance		(Cell C58)						-	350,683			_
147 148 Ontario Capital Tax 149 Base = 25,052,968 150 Less: Exemption from lab Tax Rates, Table 2, cell C39 - 5,000,000 151 Revised deemed taxable capital = 20,052,968 152 = 20,052,968 153 Rate - Tab Tax Rates cell C54 x 0.3000%		Populaton Income Tax Variance						_	(64.202)			-
148 Ontario Capital Tax = 25,052,968 149 Base = 25,052,968 150 Less: Exemption from lab Tax Rates, Table 2, cell C39 - 5,000,000 151 Revised deemed taxable capital = 20,052,968 152 Rate - Tab Tax Rates cell C54 x 0.3000%		regulatory modifier ax variance				-		-	(01,232)			
150 Less: Exemption from tab Tax Rates, Table 2, cell C39 - 5,000,000	148											
151 Revised deemed taxable capital							-	_				
152 153 Rate - Tab Tax Rates cell C54 x 0.3000%			-		-	-	-	_				-
153 Rate - Tab Tax Rates cell C54 x 0.3000%		Vesigen neguren raxanie cahirai						-	20,052,968			
		Rale - Tab Tax Rales cell C54						x	0.3000%			
	154											
155 Revised Ontario Capital Tax = 60,159	155					-		=	60,159			-
Less: Onlario Capital Tax reported in the initial estimate column (Cell 156 C70)	156							ال	60 159			
157 Regulatory Ontario Capital Tax Variance = 0								=				
158	158											
159 Federal LCT									05 050 005			
160 Base 25,052,968 161 Less: Exemption from tab Tax Rates, Table 2, cell C40 50,000,000			-		-		+					-
162 Revised Federal LCT					_		-	=				
	163											

_						_	_					
_	Α	В	С	D	E	F	G	H		J	K	L
	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	ITEM	Initial						M of F	M of F	M of F	
	DEFERRAL/VARIANCE ACCOUNTS		Estimate						Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)						_		Variance	Variance		
4	("Wires-only" business - see Tab TAXREC)			1			_		K-C	Explanation	(June)	
5	RRR # 2.1.8										Version 2004.1	
6			\$						\$		\$	
164	Rate (as a result of legislative changes) tab 'Tax Rates' cell C51								0.2000%			
165												
166	Gross Amount								0			
167	Less: Federal surtax							-	0			
168	Revised Net LCT							=	0			
169	V											
	Less: Federal LCT reported in the initial estimate column (Cell C82)							-	23,699			
	Regulatory Federal LCT Variance							=	(23,699)			
172												
173	Actual Income Tax Rate used for gross-up (exclude surtax)								35.00%			
174												
	Income Tax (grossed-up)							+	(94,296)			
	LCT (grossed-up)							+	(36,460)			
177	Ontario Capital Tax							+	0			
178												
	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT							=	(130,756)			
180												
	TRUE-UP VARIANCE (from cell I130)			-			_	+	(22,843)			
182		1		-								
183	Total Deferral Account Entry (Positive Entry = Debit)							=	(153,599)			
184	(Deferral Account Variance + True-up Variance)											
185												
186												
187												
	V) INTEREST PORTION OF TRUE-UP											
189	Variance Caused By Phase-in of Deemed Debt											
190				_								
191	Total deemed interest (REGINFO)								908,170			
192	Interest phased-in (Cell C36)								605,477			
193												
194	Variance due to phase-in of debt component of MARR in rates			-					302,693			
195	according to the Board's decision			-			_					
196				1			_					
197	Other Interest Variances (i.e. Borrowing Levels	1 1		1								-
198	Above Deemed Debt per Rate Handbook)			1					4 470 0 (6)			
199	Interest deducted on MoF filing (Cell K36+K41)			-				-	1,170,943			
	Total deemed interest (REGINFO CELL D61)	1		-		_			908,170			
201	V-2	1		-		-	-	-	000 770		_	
202	Variance caused by excess debt				_	-	-	-	262,773			
	Literatura de la Companya del Companya de la Companya del Companya de la Companya	1		-	-	-	-	-	000 770			
204 205	Interest Adjustment for Tax Purposes (carry forward to Cell I110)	-		-		-	-	-	262,773			
206	T-4-1 (-4 A V1	1		-	-	-	-	-	20.000			
	Total Interest Variance	-		-	_	_	-	-	39,920			-
207		1		1							1	

_	A	В	С	D	E
1	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only
	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax
3	(for "wires-only" business - see s, 72 OEB Act)		Tax		Return
4	RRR # 2.1.8		Return		
5	Carties A. Identification				Version 2004.1
	Section A: Identification: Utility Name: HALTON HILLS HYDRO INC.	-			
	Reporting period: 2004	-			
	Taxatlon Year's start date: JANUARY 1, 2004				
	Taxation Year's end date: DECEMBER 31, 2004				
1	Number of days in taxation year:		366	days	
2					
3	Please enter the Materiality Level :		31,316	< - enter materiality	level
4	(0.25% x Rate Base x CER)	Y/N	Ÿ		
5	(0.25% x Net Assets)	Y/N_	N		
6	Or other measure (please provide the basis of the amount)	Y/N	N		
7	Does the utility carry on non-wires related operation? (Please complete the guestionnaire in the Background guestion	Y/N	Y		
9	(Flease complete the questionnaire in the Background question	naire w	orksneet.)		
0	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K				
1					
2	Section B: Financial statements data:				
3	Input unconsolidated financial statement data submitted with Tax re-	turns.			
4	The actual categories of the income statements should be used.				
5	If required please change the descriptions except for amortization, in	terest e.	xpense and provisio	n for income tax	
3					
7	Please enter the non-wire operation's amount as a positive number,			reats all amounts	
9	in the "non-wires elimination column" as negative values in TAXREC	ana I A	NKEUZ.		
)	Income:	_			
í	Energy Sales	+	30,683,803	Company of the last of the	30,683,803
2	Distribution Revenue	+	8,073,276		8,073,276
3	Other Income	+	1,146,428	104,433	1,041,995
1	Miscellaneous income	+			0
5		+			0
2	Revenue should be entered above this line				
7	0				
	Costs and Expenses:	-	00.000.000		22.222.222
9	Cost of energy purchased	-	30,683,803		30,683,803
1	Salaries and benefits Material costs		3,250,453 1,763,694		3,250,453 1,763,694
2	Amortization	÷	1,814,270	FA IVE TO	1,814,270
3	Contract services	1	1,231,776		1,231,776
4	Ontario Capital Tax		80,169	Children C	80,169
5	Property costs	-	491,253		491,253
6	Other expenses		1,133,849	39,050	1,094,799
7	Communication costs		233,744		233,744
8	Allocated to capital	-	-3,352,915		-3,352,915
9					
0	Net Income Before Interest & Income Taxes EBIT	=	2,573,411	65,383	2,508,028
1	Less: Interest expense for accounting purposes		1,170,943		1,170,943
3	Provision for payments in lieu of income taxes Net Income (loss)	-	412,562	05.000	412,562 924,523
-	(The Net Income (loss) on the MoF column should equal to the net income	-	989,906	65,383	924,023
	(loss) per financial statements on Schedule 1 of the tax return.)				
4					
5					
	Section C: Reconciliation of accounting income to taxable inco	me			
	From T2 Schedule 1				
	BOOK TO TAX ADDITIONS:				
	Provision for income tax	+	412,562	0	412,562
	Federal large corporation tax Depreciation & Amortization	+	1,814,270	1,805	1,812,465
	Employee benefit plans-accrued, not paid	1	40,768	1,805	40,768
	Tax reserves - beginning of year	1	40,768	0	40,768
	Reserves from financial statements- end of year	+	0		0
			·		Ö
4	Regulatory adjustments	+			
5	Material addition items from TAXREC 2	+	363,593	0	363,593
5			363,593 26,145	0 20,731	
4 5 7	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2	+	26,145	20,731	363,593 5,414
5 6 7	Material addition items from TAXREC 2	+			363,593
6 7 8	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal	+	26,145	20,731	363,593 5,414
4 5 6 7 8 9	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions)	+	26,145	20,731	363,593 5,414 2,634,802
5 6 7	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA	+	26,145	20,731	363,593 5,414 2,634,802
6 7 8 9 1 2	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions)	+	26,145	20,731	363,593 5,414 2,634,802
4 5 6 7 8 9 0 1 2 3	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense	+ + +	26,145	20,731	363,593 5,414 2,634,802 0
	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense	+ + + + + + +	26,145	20,731	363,593 5,414 2,634,802 0 0
	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense	+ + + + + +	26,145	20,731	363,593 5,414 2,634,802 0 0 0 0 0
	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital items expensed	+++++++++++++++++++++++++++++++++++++++	26,145 2,657,338	20,731	363,593 5,414 2,634,802 0 0 0 0 0 0 0
	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense	+++++++++++++++++++++++++++++++++++++++	26,145	20,731	363,593 5,414 2,634,802 0 0 0 0 0
3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital items expensed Total Other Additions	+ + + + + + + + =	26,145	20,731	363,593 5,414 2,634,802 0 0 0 0 0 0 0
3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital items expensed	+++++++++++++++++++++++++++++++++++++++	26,145 2,657,338	20,731	363,593 5,414 2,634,802 0 0 0 0 0 0 0
1 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0 1 2 2 3 4 6 7 8 9 0 1 2 2 2 3 4 6 7 8 9 0 1 2 2 2 3 4 6 7 8 9 0 1 2 2 2 2 3 4 6 7 8 9 0 1 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital items expensed Total Other Additions Total Additions	+ + + + + + + + =	26,145	20,731	363,593 5,414 2,634,802 0 0 0 0 0 0 0
4 5 6 7 8 9 9 1 2 3 4 7 8 9 9 1 2 3	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital items expensed Total Other Additions	+ + + + + + + + =	26,145 2,657,338 0 2,657,338	20,731 22,536 0 22,536	363,593 5,414 2,634,802 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital items expensed Total Other Additions Total Additions	+ + + + + + + + =	26,145 2,657,338 0 2,657,338	20,731 22,536 0 22,536	363,593 5,414 2,634,802 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
4 5 5 7 7 7 8 8 9 9 9 9 9 11 12 12 13 13 13 13 13 13 13 13 13 13 13 13 13	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital items expensed Total Other Additions Total Additions	+ + + + + + + + =	26,145 2,657,338 0 2,657,338	20,731 22,536 0 22,536	363,593 5,414 2,634,802 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0
4 5 6 7 7 8 8 9 9 9 9 9 1 1 1 1 1 1 1 1 1 1 1 1 1	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital items expensed Total Other Additions Total Additions	+ + + + + + + + =	26,145 2,657,338 0 2,657,338 0 0 0	20,731 22,536 0 22,536 0 0 0	363,593 5,414 2,634,802 0 0 0 0 0 0 0 0 0 0 0 0 0
4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 7 8 7 8 7 8 7 8 7 8 7 8 7 8 7 8 7 8	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital items expensed Total Other Additions Total Additions	+ + + + + + + + =	26,145 2,657,338 0 2,657,338	20,731 22,536 0 22,536	363,593 5,414 2,634,802 0 0 0 0 0 0 0 0 0 0 0 0 0
4 5 6 6 7 7 8 8 9 9 0 0 1 1 2 2 3 3 4 4 5 6 6 7 7 7 8 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9 9	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital items expensed Total Other Additions Total Additions	+ + + + + + + + =	26,145 2,657,338 0 2,657,338 0 0 0	20,731 22,536 0 22,536	363,593 5,414 2,634,802 0 0 0 0 0 0 0 0 0 0 0 0 0
4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9 0	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital Items expensed Total Other Additions Total Additions Recap Material Additions:	+ + + + + + + + =	26,145 2,657,338 0 2,657,338 0 0 0 0 0 0	20,731 22,536 0 22,536 0 0 0 0 0 0 0	363,593 5,414 2,634,802 0 0 0 0 0 0 0 0 0 2,634,802 0 0 0 0 0 0 0 0 0 0 0 0 0
4 5 6 7 7 7 8 8 8 8 8 7 7 7 8 8 8 8 8 8 8 8	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital items expensed Total Other Additions Total Additions Recap Material Additions:	+ + + + + + + + =	26,145 2,657,338 0 2,657,338 0 0 0 0 0 0 0 0 0	20,731 22,536 0 22,536 0 0 0 0 0 0 0 0	363,593 5,414 2,634,802 0 0 0 0 0 0 0 0 0 0 0 0 0
4 5 6 6 7 7 7 8 8 8 9 9 9 9 9 9 9 9 9 9 9 9 9 9	Material addition items from TAXREC 2 Other addition items (not Material) from TAXREC 2 Subtotal Other Additions: (Please explain the nature of the additions) Recapture of CCA Non-deductible meals and entertainment expense Capital Items expensed Total Other Additions Total Additions Recap Material Additions:	+ + + + + + + + =	26,145 2,657,338 0 2,657,338 0 0 0 0 0 0	20,731 22,536 0 22,536 0 0 0 0 0 0 0 0 0	363,593 5,414 2,634,802 0 0 0 0 0 0 0 0 0 0 0 0 0

1 SEC	A CTION 93 PILs TAX GROSS-UP "SIMPIL"	B	C M of F	D Non-wires	E Wires-only	F
2 TA	X RETURN RECONCILIATION (TAXREC) "wires-only" business - see s. 72 OEB Act)		Corporate	Eliminations	Tax	
	R # 2.1.8		Tax Return		Return	
5	OV TO TAX DEDUCTIONS				Version 2004.1	
	OK TO TAX DEDUCTIONS: bital cost allowance		1,518,927	3,033	1,515,894	
97 Cur	mulative eligible capital deduction		71,632		71,632	
	ployee benefit plans-paid amounts ns capitalized for regulatory purposes	-:-	20,269		20,269	
	quiatory adjustments :	-			0	
	CCA ther deductions				0	
103 Tax	reserves - end of year		0	0	0	
	serves from financial statements- beginning of year ntributions to deferred income plans	-	0	0	0	
106 Cor	ntributions to pension plans				0	
	erest capitalized for accounting deducted for tax terial deduction items from TAXREC 2	-:	0	0	0	_
109 Oth	ner deduction items (not Material) from TAXREC 2	- 1	69,161	41,462	27,699	
110	Subtotal	=	1,679,989	44,495	1,635,494	
112 Oth	ner deductions (Please explain the nature of the deductions)		1,5,5,555	1.1,153		
	aritable donations - tax basis in on disposal of assets	-			0	
115	1 de la copación de consta	-8		A STATE OF THE STA	0	
116 117					0	
118	Total Other Deductions	=	0	0	ŏ	
119	Total Deductions	=	1,679,989	44,495	1,635,494	
121			1,0,0,000	-17,100	1,000,404	
122 Red	cap Material Deductions		0	0	0	
124			0	0	0	
125 126			0	0	0	_
127			0	0	0	
	al Other Deductions exceed materiality level ner Deductions less than materiality level		0	0	0	
130 Tot	al Other Deductions		0	0	0	
131 132 TAY	XABLE INCOME	=	1,967,255	43,424	1,923,831	_
	DUCT:		1,907,203	45,424	1,920,001	
	on-capital loss applied positive number et capital loss applied positive number			AS TABLES	0	_
136 Do	onations		325,000		325,000	
137 NE 138	T TAXABLE INCOME	=	1,642,255	43,424	1,598,831	
	OM ACTUAL TAX RETURNS					
	t Federal Income Tax (Must agree with tax return) t Ontario Income Tax (Must agree with tax return)	+	366,099 226,214	9,679 5,979	356,420 220,235	
	Subtotal	=	592,313	15,658	576,655	
	ss: Miscellaneous tax credits (Must agree with tax returns) tal Income Tax	-	500.242	45.050	0 576,655	
145	40 (40) (40) (40) (40) (40)	_	592,313	15,658	370,033	
	OM ACTUAL TAX RETURNS t Federal Income Tax Rate (Must agree with tax return)		22 20%		22.29%	_
	t Ontario Income Tax Rate (Must agree with tax return)		22.29% 13.77%		13.77%	
149 B	Blended Income Tax Rate		36.06%		36.06%	
	ction D: Detailed calculation of Ontario Capital Tax					
152 ON	ITARIO CAPITAL TAX					
154 (Fr	om Ontario CT23)					
155 PA 156	ID-UP CAPITAL					
157 Pai	id-up capital stock	+	16,161,663		16,161,663	
	tained earnings (if deficit, deduct)	+/-	2,394,782	27,766	2,367,016	
160 a	pital and other surplus excluding ppraisal surplus	+			0	
	ans and advances nk loans	+	16,911,276		16,911,276	_
163 Bar	nkers acceptances	+			0	
	nds and debentures payable rtgages payable	+	4		0	
	n notes payable	+			0	
167 Def	ferred credits	+			0	
169 Oll	ntingent, investment, inventory and similar reserves ner reserves not allowed as deductions	+			0	
	are of partnership(s), joint venture(s) paid-up capital	+	18,916	07 700	18,916	
171 172 Sul	Sub-total btract:	-	35,486,637	27,766	35,458,871	
	nounts deducted for income tax purposes in excess of amounts	*	470.405		470 405	
173 boo De	oked ductible R&D expenditures and ONTTI costs deferred for income	-	-478,125		-478,125	
174 tax			05:00 + 700	07.700	0	_
175 176	Total (Net) Paid-up Capital	=	35,964,762	27,766	35,936,996	
177 EL	IGIBLE INVESTMENTS					
178 179 Boi	nds, lien notes, interest coupons	+			0	_
180 Mo	rtgages due from other corporations	+	23.5		0	
	ares in other corporations ans and advances to unrelated corporations	+	906,070		906,070	
183 Eliç	gible loans and advances to related corporations	+	865,551		865,551	
184 Shi 185	are of partnership(s) or joint venture(s) eligible investments	+			0	
	otal Eligible Investments	= 1	1,771,621	0	1,771,621	
187						

2 TAX RETURN RECONCILIATION (TAXREC) 3 (for "wires-only" business - see s. 72 OEB Act) 4 RRR # 2.1.8 5 188 189 TOTAL ASSETS 190 191 Total assets per balance sheet + 192 Mortgages or other liabilities deducted from assets + 193 Share of partnership(s)/ joint venture(s) total assets + 194 Subtract: Investment in partnership(s)/ijoint venture(s) - 195 196 Total assets as adjusted = 197 198 Add: (if deducted from assets) 199 Contingent, investment, inventory and similar reserves + 200 Other reserves not allowed as deductions + 201 Subtract: Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTTI costs deferred - 203 for income tax 204 Subtract: Appraisal surplus if booked - 205 Add or subtract: Other adjustments 206 207 Total Assets = 208 209 210 Investment Allowance 211 Investment Allowance 212 Taxable Capital	C M of F opporate Tax Return 43,032,481 27,604 40,518 43,019,567 478,125 43,497,692 1,464,812	D Non-wires Eliminations 138,812 138,812 0	E Wires-only Tax Return Version 2004.1 42,893,669 0 27,604 40,518 42,880,755 0 0 0 -478,125 0 0 43,358,880 1,468,367
TAX RETURN RECONCILIATION (TAXREC) Growines-only" business - see s. 72 OEB Act)	orporate Tax Return 43,032,481 27,604 40,518 43,019,567 478,125 43,497,692 1,464,812	138,812 138,812	Tax Return Version 2004.1 42,893,669 0 27,604 40,518 42,880,755 0 0 0 -478,125 0 0 0 43,358,880
Ifter "wires-only" business - see s, 72 OEB Act) Ifter RRR # 2.1.8 Ifter RRR # 2	Tax Return 43,032,481 27,604 40,518 43,019,567 478,125 43,497,692 1,464,812	138,812 138,812	Return Version 2004.1 42,893,669 0 27,604 40,518 42,880,755 0 0 -478,125 0 0 43,358,880
188	43,032,481 27,604 40,518 43,019,567 -478,125 43,497,692 1,464,812	138,812	Version 2004.1 42,893,669 0 27,604 40,518 42,860,755 0 0 -478,125 0 0 43,358,880
188 189 TOTAL ASSETS 190 191 Total assets per balance sheet 192 Mortgages or other liabilities deducted from assets 193 Share of partnership(s)/ joint venture(s) total assets 194 Subtract: Investment in partnership(s)/joint venture(s) 195 196 Total assets as adjusted 197 198 Add: (if deducted from assets) 199 Contingent, investment, inventory and similar reserves 190 Coher reserves not allowed as deductions 191 Subtract: Amounts deducted for income tax purposes in excess of amounts 202 booked 203 Deductible R&D expenditures and ONTTI costs deferred 204 Subtract: Appraisal surplus if booked 205 Add or subtract: Other adjustments 206 207 Total Assets 208 209 210 Investment Allowance 211 Taxable Capital 213	27,604 40,518 43,019,567 478,125 43,497,692 1,464,812	138,812	42,893,669 0 27,604 40,518 42,880,755 0 0 -478,125 0 0 43,358,880
189 TOTAL ASSETS 190 191 Total assets per balance sheet 192 Mortgages or other liabilities deducted from assets 193 Share of partnership(s)/ joint venture(s) total assets 194 Subtract: Investment in partnership(s)/joint venture(s) 195 196 Total assets as adjusted 197 198 Add: (if deducted from assets) 199 Contingent, investment, inventory and similar reserves 190 Other reserves not allowed as deductions 190 Subtract: 190 Amounts deducted for income tax purposes in excess of amounts 190 Deductible R&D expenditures and ONTTI costs deferred 190 Deductible R&D expenditures and ONTTI costs deferred 190 Subtract: Appraisal surplus if booked 190 Subtract: Appraisal surplus if booked 190 Subtract: Other adjustments 190 Add or subtract: Other adjustments 190 Other reserves not allowed as deductions 190 Deductible R&D expenditures and ONTTI costs deferred 190 Deductible R&D expenditures and ONTTI costs deferred 190 Subtract: Appraisal surplus if booked 190 Subtract: Appraisal surplus if booked 190 Other reserves not allowed 190 Other reserves not allowed as deductions 190 Other reserves 190 Other	27,604 40,518 43,019,567 478,125 43,497,692 1,464,812	138,812	0 27,604 40,518 42,880,755 0 0 -478,125 0 0 43,358,880
190	27,604 40,518 43,019,567 478,125 43,497,692 1,464,812	138,812	0 27,604 40,518 42,880,755 0 0 -478,125 0 0 43,358,880
191 Total assets per balance sheet	27,604 40,518 43,019,567 478,125 43,497,692 1,464,812	138,812	0 27,604 40,518 42,880,755 0 0 -478,125 0 0 43,358,880
Mortgages or other liabilities deducted from assets +	27,604 40,518 43,019,567 478,125 43,497,692 1,464,812	138,812	0 27,604 40,518 42,880,755 0 0 -478,125 0 0 43,358,880
193 Share of partnership(s)/ joint venture(s) total assets	40,518 43,019,567 478,125 43,497,692 1,464,812	138,812	40,518 42,880,755 0 0 0 -478,125 0 0 0 43,358,880
194	40,518 43,019,567 478,125 43,497,692 1,464,812	138,812	40,518 42,880,755 0 0 0 -478,125 0 0 0 43,358,880
195	43,019,567 478,125 43,497,692 1,464,812	138,812	0 0 0 0 -478,125 0 0 0 43,358,880
197 198 Add: (if deducted from assets) 199 Contingent, investment, inventory and similar reserves + 200 Other reserves not allowed as deductions + 201 Subtract: Amounts deducted for income tax purposes in excess of amounts 202 booked Deductible R&D expenditures and ONTTI costs deferred 203 for income tax 204 Subtract: Appraisal surplus if booked 205 Add or subtract: Other adjustments +/- 206 207 Total Assets = 208 209 210 Investment Allowance 211 Taxable Capital	43,497,692 1,464,812	138,812	0 0 0 0 -478,125 0 0 0 43,358,880
198	43,497,692		0 0 -478,125 0 0 0 43,358,880
199 Contingent, investment, inventory and similar reserves + 200 Other reserves not allowed as deductions + 201 Subtract: Amounts deducted for income tax purposes in excess of amounts Deductible R&D expenditures and ONTTI costs deferred 203 for income tax 204 Subtract: Appraisal surplus if booked - 205 Add or subtract: Other adjustments +/- 206 207 Total Assets = 209 210 investment Allowance 211 Taxable Capital	43,497,692		0 0 -478,125 0 0 0 43,358,880
200 Other reserves not allowed as deductions	43,497,692		0 0 -478,125 0 0 0 43,358,880
201 Subtract:	43,497,692		0 -478,125 0 0 0 43,358,880
Amounts deducted for income tax purposes in excess of amounts booked Deductible R&D expenditures and ONTTI costs deferred of income tax Subtract: Appraisal surplus if booked Add or subtract: Other adjustments Total Assets Total Assets Investment Allowance Investment Allowance Taxable Capital	43,497,692		-478,125 0 0 0 43,358,880
202	43,497,692		0 0 0 43,358,880
203 for income tax	1,464,812		0 0 43,358,880
204 Subtract: Appraisal surplus if booked -	1,464,812		43,358,880
205 Add or subtract: Other adjustments +/- 206 = 207 Total Assets = 208 209 210 Investment Allowance 211 212 Taxable Capital 213 214 215 216 217 218	1,464,812		43,358,880
206	1,464,812		43,358,880
207 Total Assets =	1,464,812		
208 209 210 Investment Allowance 211 212 Taxable Capital 213	1,464,812		
209 210 Investment Allowance 211 212 Taxable Capital 213		0	1,468,367
211 212 Taxable Capital 213		0	1,468,367
212 Taxable Capital 213			
213			
214 Net paid-up capital +	25 004 700	27,766	35,936,996
215 Subtract: Investment Allowance	35,964,762 1,464,812	27,766	1,464,812
216	1,404,012		1,404,012
217 Taxable Capital =	34,499,950	27,766	34,472,184
218			
219 Capital Tax Calculation			
220 Deduction from taxable capital up to maximum of \$5,000,000	4,684,843	0	4,684,843
221 (Input in tab Tax Rates) 222 Net Taxable Capital	00.045.407	07.700	00 707 044
222 Net Taxable Capital 223	29,815,107	27,766	29,787,341
224 Rate	0.3000%	0.3000%	0.3000%
225	0,0000,0	3.000	
226 Days in taxation year	366	366	366
227 Divide days by 366	1.00	1.00	1.00
228	00.145		
229 Ontario Capital Tax (Must agree with CT23 return) 230	89,445	83	89,362
231 Section E: Detailed calculation of Large Corporation Tax			
232			
233 LARGE CORPORATION TAX			
234 (From Federal Schedule 33)			
235 CAPITAL			
236 ADD:			
Reserves that have not been deducted in computing income for the 237 year under Part I	16,161,663	No. of the little	16,161,663
238 Capital stock +	2.394.782	27.766	2.367.016
239 Retained earnings +		7	0
240 Contributed surplus +	THE BOOK	08451	0
241 Any other surpluses +			0
242 Deferred unrealized foreign exchange gains +	10 115 57		0
243 All loans and advances to the corporation +	16,146,274		16,146,274
All indebtedness- bonds, debentures, notes, mortgages, bankers 4 244 acceptances, or similar obligations			o
245 Any dividends declared but not paid +	THE PARTY		0
245 All other indebtedness outstanding for more than 365 days +	765,002	DILLS TO VO	765,002
247			
248 Subtotal =	35,467,721	27,766	35,439,955
249 250 DED LCT			
250 DEDUCT: 251 Deferred tax debit balance			0
251 Deferred tax debit balance - 252 Any deficit deducted in computing shareholders' equity -			0
Any patronage dividends 135(1) deducted in computing income			U
253 under Part I included in amounts above			0
254 Deferred unrealized foreign exchange losses -			0
255			
256 Sublotal =	0	0	0
257 259 Comited for the 1997	25 407 704	07.700	25 420 055
258 Capital for the year 259	35,467,721	27,766	35,439,955

A	В	С	D	E	F
1 SECTION 93 PILS TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
2 TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3 (for "wires-only" business - see s, 72 OEB Act)		Tax		Return	
4 RRR # 2.1.8		Return			
5				Version 2004.1	
60 INVESTMENT ALLOWANCE	T				
61					
62 Shares in another corporation	+	865,552		865,552	
63 Loan or advance to another corporation	+	1,098,854		1,098,854	
64 Bond, debenture, note, mortgage, or	+			0	
similar obligation of another corporation	+ 1	865,551		865,551	
66 Long term debt of financial institution	+			0	
7 Dividend receivable from another corporation	+		THE PARTY OF THE P	0	
Debts of corporate partnerships that were not exempt from tax	+	SELECTION OF THE PERSON OF			
88 under Part I,3				0	
Interest in a partnership	+	40,518		40,518	
70					
71 Investment Allowance	=	2,870,475	.0	2,870,475	
72					
73					
74 TAXABLE CAPITAL					
75					
76 Capital for the year	=	35,467,721	27,766	35,439,955	
77		117000010000000000000000000000000000000	J.3001110-13	001111-00110-1	
78 Deduct: Investment allowance	-	2,870,475	0	2,870,475	
79					
Taxable Capital for taxation year	=	32,597,246	27,766	32,569,480	
31					
B2 Deduct: Capital Deduction - maximum of \$50,000,000	-	45,995,000	0	45,995,000	
(Input in tab 'Tax Rates')					_
34 Taxable Capital	= _	0	27,766	0	
85	-				
Rate 0,225% in 2002 and 2003; 0,200% in 2004		0.20000%	0.20000%	0.20000%	
97					_
B8 Days in year		366	366	366	
Divide days by 366		1.0000	1.0000	1.0000	_
90		-		-	
Gross Part I.3 Tax LCT (Must agree with tax return)	=	0	56	0	
92 Factoral Contant Pate		4 400004	4 (0000)	4 40000	-
93 Federal Surtax Rate		1.1200%	1,1200%	1,1200%	
94	-				_
95 Less: Federal Surtax = Actual Surtax from tax return	-	MULLI BUNG	e for the state of	0	
	-		56	0	_
		0	56	0	-
(If surtax is greater than Gross LCT, then zero)	-	-			
00 Section F: Income and Capital Taxes	-				
Of Section F: Income and Capital Taxes	_				
22 RECAP FROM ABOVE:	-				
33 Total Income Taxes	+	592,313	15.658	576, 655	-
4 Ontario Capital Tax	+	592,313 89,445	15,658	89,362	_
D5 Federal Large Corporations Tax	+	89,445	56	89,352	
26 Federal Large Corporations Tax	-	- U	20	U	
77 Total Income and capital taxes	=	681.758	15,797	666,017	_
08 Total income and capital taxes	-	001,/58	15,797	000,017	

	A	В	СТ	D	E	F
1 SI	ECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
	ax and Accounting Reserves		Corporate	Eliminations	Tax	
	or MoF Column of TAXCALC		Tax		Return	
	or "wires-only" business - see s. 72 OEB Act)		Return			
5 R	RR # 2.1.8				Version 2004.1	
6						
7 U1	tility Name: HALTON HILLS HYDRO INC.					
8 R	eporting period: 2004					
9	*					
	AX RESERVES			-		
11						
12 B	eginning of Year:					
13				A DELLA SERVICE	0	
14 R	eserve for doubtful accounts ss. 20(1)(I)		THE RESERVE OF THE PARTY.		0	
	eserve for goods & services ss.20(1)(m)				0	
	eserve for unpaid amounts ss.20(1)(n)		CONTRACTOR OF THE PARTY OF THE	THE RESERVE OF	0	
	ebt and share issue expenses ss.20(1)(e)				Ö	
18 O				Maria Watania	0	
19 0					ő	
20			INFRAST LIBERTALISE	MAIL XMAN CANDAN	0	
21					0	
	otal (carry forward to the TAXREC worksheet)		0	0	0	
23	otal (ourly forward to the 17 Witze worksheet)				- U	
	nd of Year:					
25	ina or routi	-			0	
	eserve for doubtful accounts ss. 20(1)(I)				0	
	eserve for goods & services ss.20(1)(m)	+			Ö	
	eserve for unpaid amounts ss.20(1)(n)				0	
	ebt and share issue expenses ss.20(1)(e)				0	
30 0		+			0	
31 0		+			0	
32	ullei	-			0	
33			Company Company		0	
	sert line above this line	-	E SUCE AND		0	
-			0	0	0	
36	otal (carry forward to the TAXREC worksheet)	-	U U	U	U	
37		-				
	INANCIAL STATEMENT RESERVES		l			
39	INANCIAL STATEMENT RESERVES					
		1	<u> </u>			
	eginning of Year:	 				
41		+			0	
	w. //a	-	DICAGOL DES		0	
	nvironmental	_			0	
	llowance for doubtful accounts				0	
	ventory obsolescence	-			0	
	roperty taxes	-		AL H WILL	0	
47 0			DIVINE NO SERVER		0	
48 O	ner	-	012-0100 - 221		0	
49		-	Alexander Europe		0	
	otal (carry forward to the TAXREC worksheet)		0	0	0	
51	1 20	-	-			
154 E	nd of Year:					
53					0	
54					0	
	nvironmental				0	
	llowance for doubtful accounts				0	
	ventory obsolescence				0	
	roperty taxes				0	
59 O	ther				0	
60 O	ther	-			0	
61					0	
	sert line above this line					
	otal (carry forward to the TAXREC worksheet)		0	0	0	
64						

	A	В	С	D	E F
1					
	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only
	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax
	(for "wires-only" business - see s. 72 OEB Act) RRR # 2.1.8	-	Tax Return		Return
6	KKK # 2.1.0	-	Return		Version 2004.1
7		_			Version 2004.1
	Utility Name: HALTON HILLS HYDRO INC.				
	Reporting period: 2004				
10	Number of days in taxation year:		366		
	Materiality Level:		31,316		
12					
	Section C: Reconciliation of accounting income to taxable income Add:	-			
	Recapture of capital cost allowance	+			0
	Gain on sale of eligible capital property	+			0
	Income or loss for tax purposes- joint ventures or partnerships	+			0
	Loss in equity of subsidiaries and affiliates	+			0
	Loss on disposal of assets	+	20,731	20,731	0
	Charitable donations	+	325,000		325,000
21	Taxable capital gains	+			0
	Depreciation in inventory -end of year Scientific research expenditures deducted	+	messag sa su se	4.5	0
24		+			0
	Capitalized interest	+	Seem on the		0
	Non-deductible club dues and fees	4			Ö
	Non-deductible automobile expenses	+		To see the water	0
	Non-deductible life insurance premiums	+			0
	Soft costs on construction and renovation of buildings	+			0
	Non-deductible meals and entertainment Book loss on joint ventures or partnerships	-			0
	Book loss on joint ventures or partnerships Capital items expensed	+		The state of	0
	Debt issue expense	+			0
	Deemed dividend income	+	Carrier Terror		0
_	Dividends credited to investment account	+			0
36	Financing fees deducted in books	+		ALTERNATION OF THE STREET	0
	Gain on settlement of debt	+			0
	Interest paid on income debentures	+			0
	Recapture of SR&ED expenditures	+	THE STATE OF THE STATE OF		0
	Share issue expense Write down of capital property	+			0
	Amounts received in respect of qualifying environment trust	+			0
	Other Additions: (please explain in detail the nature of the item)	+			0
44		+		WE WILLIAM	0
45	Non-deductible meals & entertainment expenses	+	5,414		5,414
46	Provision for bad debts	+	38,593		38,593
47		+			0
49		+			0
50		+			0
51		+			0
52		+		VI STORY I THE	0
53		+			
54	Total Additions	=	389,738	20,731	369,007
55	Recap of Material Additions:	-			
57	necap or Material Additions:	1	0	0	0
58		1	0	0	0
59			0	0	Ö
60			0	0	0
61			0	0	0
62	Charitable donations	-	325,000	0	325,000
63		-	0	0	0
64 65	-	-	0	0	0
66		1	0	0	0
67		1	0	0	0
68			0	0	Ö
69			0	0	0
70			0	0	0
71			0	0	0
72 73			0	0	0
74		+	0	0	0
75		1	0	0	0
76			0	0	0
77			0	0	0
78			0	0	0
79			0	0	0
80		-	0	0	0
81 82			0	0.0	0
02			U	U	VI

	A	В	С	D	E	F
	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	LINE	M of F	Non-wires	Wires-only	
	TAX RETURN RECONCILIATION (TAXREC 2)		Corporate	Eliminations	Tax	
	(for "wires-only" business - see s, 72 OEB Act)		Tax		Return	
	RRR # 2.1.8		Return			
6					Version 2004.1	
83			0	0	0	
84			0	0	0	
85			0	0	0	
86			0	0	0	
87	Provision for bad debts		38,593	0	38,593	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92			0	0	0	
93			0	0	0	
94						
	Total Material additions		363,593	0	363,593	
96	Other additions less than materiality level		26,145	20,731	5,414	
	Total Additions		389,738	20,731	369,007	
98						
99	Deduct:					- 17
	Gain on disposal of assets per f/s	- 2	44,467	41,462	3,005	
	Dividends not taxable under section 83	- -	Control of the second		0	
	Terminal loss from Schedule 8	-			0	
03	Depreciation in inventory, end of prior year	- 1	A CONTRACTOR OF THE PARTY OF TH	to the first and the	0	
04	Scientific research expenses claimed in year from Form T661	- 1			0	
	Bad debts	- 1	24,694		24,694	
	Book income of joint venture or partnership				0	
107	Equity in income from subsidiary or affiliates				0	
108	Contributions to a qualifying environment trust			NEW PRINCIPLES	0	
	Other income from financial statements				0	
	Other deductions: (Please explain in detail the nature of the item)					
111	Imputed interest on Reg Assets				0	
112	imputed interest on reginerate				0	
113					0	
114					0	
115					0	
116					0	
117					0	
118		- 1		ALC: NO DESCRIPTION OF THE PARTY OF THE PART	0	
119		- 1:			0	-
120				The State of the last	0	
121					0	_
	Total Deductions		69,161	41,462	27,699	
123	Total Deductions		00,101	41,402	21,000	
	Recap of Material Deductions:					
125	recap of material occupions.		0	0	0	_
126			0	0	0	
127			0	0	0	
128			0	0	0	
29			0	0	0	_
30		-	0	0	0	
31		-	0	0	0	
32			0	0	0	
33			0	0	0	
34		-	0	0	0	
35		\rightarrow	0	0	0	
			0	0	0	
36			0	0	0	_
37 38			0	0	0	
39			0	0	0	
40			0	0	0	-
41			0	0	0	-
42		-	0	0	0	
43		-	0	0	0	-
144			0	0	0	
145			0	0	0	-
	Total Deductions exceed materiality level		0	0	0	_
			00.101	44 400	07.000	
147	Other deductions less than materiality level Total Deductions		69,161 69,161	41,462 41,462	27,699 27,699	_

	A	В	С	D	Е	F
_	SECTION 93 PILS TAX GRO	SS-UP "SI	MPIL"			/ ! 000.4
_	Corporate Tax Rates Exemptions, Deductions, o	r Throchold	łe		V	ersion 2004/ RRR # 2.1.8
	Utility Name: HALTON HII					NNN # 2.1.0
	Reporting period: 2004					
6	- An					
7	Data - Hand In COCC DAM DI	I a Annilaa				Table 1
_	Rates Used in 2002 RAM PI Income Range	LS Applica	tions 0		200,001	
	RAM 2002		to		to	>700,000
1		Year	200,000		700,000	
12	Income Tax Rate					
	Proxy Tax Year	2002				
	Federal (Includes surtax)		0.00%		04.400/	00.000/
_	and Ontario blended Blended rate		19.12% 19.12%	0.00%	34.12% 34.12%	38.62% 38.62%
7			13.1276	0.0070	34.1270	30.0270
	Capital Tax Rate		0.300%			
19	LCT rate		0.225%			
0	Surtax		1.12%			
	Ontario Capital Tax	MAX	5,000,000			
3	Exemption ** Federal Large	\$5MM	IE VSE VIVA		-	
22	Corporations Tax Exemption **	MAX \$10MM	10,000,000			
	**Exemption amounts must	agree with	the Board-ap	proved 200	2 RAM PILs	filing
4		-	•			•
25		dlana da a a	004			Table 2
	Expected Rates and Exemp Income Range	Lions for 2	004	250,001	400,001	
	Expected Rates 2004		to	to	to	>1,128,000
29		Year	250,000	400,000	1,128,000	
	Income Tax Rate					
	Current year	2004				
	Federal (Includes surtax)		13.12%	22.12%	22.12%	22.12%
33	Ontario Blended rate		5.50% 18.62%	5.50% 27.62%	9.75% 31.87%	14.00% 36.12%
35	bierided rate		10.02%	21.02%	31.0776	30.1270
	Capital Tax Rate		0.300%			
	LCT rate		0.200%			
38	Surtax		1.12%			
39	Ontario Capital Tax Exemption ***	MAX \$5MM	5,000,000			
	Federal Large	MAX				
ın	Corporations Tax Exemption ***	\$50MM	50,000,000			
	***Allocation of exemptions	must com	ply with the B	oard's instr	uctions rega	rdina
	regulated activities.	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	p.y =		actionic regi	
13						Table 3
	Input Information from Utili	ity's Actual			100 004	
16	Income Range		to to	250,001 to	400,001 to	>1,128,000
7		Year	250,000	400,000	1,128,000	1,120,000
_	Income Tax Rate					
	Current year	2004				
	Federal (Includes surtax)		13.12%	22.12%	22.12%	22.12%
_	Ontario		5.50%	5.50%	9.75%	14.00%
3			18.62%	27.62%	31.87%	36.12%
-	Capital Tax Rate		0.300%		- 40 = -	
	LCT rate		0.300%	7 -3-2	STEELE .	
_	Surtax		1.12%			
	Ontario Capital Tax	MAX	11 - 280 x 2 - 200 y 1			
57	Exemption *	\$5MM	4,684,843			
	Federal Large	MAX				
E0	Corporations Tax	\$50MM	45,995,000			
	Exemption *		n allegation e	alaulatiana	in many amb	nlaalau.
	* Include copies of the actu Ontario CT23 page 11; fede			aiculations	in your subi	mssion:
61	ontario o 123 page 11, 1eut	CIAI 12 3CII	edule 30			
62						
63						
64						
_	BIL MODEL 2004					

	Α	В	С	D
1		SECTION 93 PILs TAX GROSS-UP "SIMPIL"		
2		Filing Requirements related to the "SIMPIL" model		Version 2004.1
3		Utility Name: HALTON HILLS HYDRO INC.		RRR # 2.1.8
4		Reporting period: 2004		
5				
6				
7				
8				
9		Documents to be submitted to the Board when filing the Ministry of Finance Column	info	rmation:
10		(Stage 3 filing: normally in July of the year following the reporting period)		
11				
12		Please file 3 copies of each paper document and 1 CD or disk	_	
13				
14	1)	REGINFO	Υ	
15				
16	2)	TAXCALC	Υ	
17				
18	3)	TAXREC	Υ	
19				
20	4)	Tax Reserves	Υ	
21				
22	5)	TAXREC 2	Υ	
23				
24	6)	Tax Rates	Υ	
25				
26	7)	Checklist	Υ	
27	-			
28	8)	Background Questionnaire	Υ	
29				
30	9)	PILs Variance Analysis	Υ	
31		,		
	10)	Financial statements used to prepare tax returns if different from the audited	N/A	
32	' '	financial statements submitted to the Board in April 2005		
33				
	11)	Electronic Excel format of the SIMPIL worksheets	Υ	
35	•••	Ziodi dillo Ziodi idilliac di allo dillii iZ Wolkeriotto	<u> </u>	
36	12)	Notices of assessments, and any re-assessments, for:		
37	,	2001	Υ	
38		2002	Ÿ	
39		2002	Ÿ	
40		2003	Ÿ	
41		2004		
42	13)	Schedules or pages from CT23 and T2 tax returns	Υ	
43	13)	ochequies of pages from C123 and 12 tax returns	1	
44				
45				
46				
47	-			
48	_			
49				
50				
υU		1		

	Α	В	С
1	-	SECTION 93 PILs TAX GROSS-UP "SIMPIL"	
2	_	Background Questionnaire	Version 2004.1
3		Utility Name: HALTON HILLS HYDRO INC.	RRR # 2.1.8
4		Reporting period: 2004	
5			
6	1	Does the company engage in non-regulated activities?	
7		Answer: YES	
8		AUDITOTI TEO	
9			
10		If the answer to question 1 is "NO", please skip questions 2 to 6.	
11		in the there is queened in to the product only queened to the	
12	2	Please identify the types of non-wire operations carried on by the LDC.	
13		Answers:	
14	_	RESIDENTIAL RENTAL PROPERTY	
15	_	SUBCONTRACTING SERVICES	-
16	_	DISPOSAL OF PORTFOLIO SHARES	
17			
	3	Does the LDC intend to transfer the non-wire operations to a separate legal entity and the	
18		expected date?	
19		Answer: NO	
20			
21			
22			
	4	Please identify the percentage and amount of gross revenues arising from non-wire	
23		operations.	
24		Answer: 0.2 % OF GROSS REVENUE = 104,433	
25			
26			
	5	Please identify the percentage and amount of operating expense incurred pertaining to non-	
27		wire operations.	
28		Answer: 0.1 % OF OPERATING EXPENSES = 39,050	
29			
30			
	6	Please identify the percentage and amount of depreciation and capital cost allowance	
31		expenses pertaining to non-wire operations.	
32		Answer:	
33		DEPRECIATION - 0.01 % = 1,805	
34		CCA - 0.2 % = 3,033	
35			
		Did the company incur any OPEBs (post employment benefits other than pensions) for	
36		accounting and tax purposes? (Please identify the amount.)	
37		Answer: NO	
38			
39			
	8	Did the company have any reserves for accounting and tax purposes? (Please identify the	
40		amount.)	
41		Answer: NO	
42			
43			
44			
45			

	A	В	С	D	Е	F	G	Н		J	K	N	0
1.	SECTION 93 PILs TAX GROS		"SIMPIL"										
2	Analysis of Account 1562:		red Payment in	lieu	of Taxes								
3	Utility Name: HALTON HILL	S HY	DRO INC.										Version 2004.1
4	Reporting period: 2004												RRR # 2.1.8
5		1	Sign Conventi	on:	+ for increase;	- fo	r decrease						
6													
7						_							
8													
9	Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		
	Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		Total
11													
12	Opening balance:	=	0		246,317		528,512		517,232		60,395		0
	Initial Estimate PILs Rate	+/-			ALL DATE OF THE PERSON								
13	Adjustment (1)		246,317		899,961		1,146,278		961,540		899,961		4,154,057
	True-up Variance	+/-	Mary Sail 14						Man and the same				
14	Adjustment (2)				3,472		-149,011		-322,403	_	-22,843		-490,785
	Deferral Account Variance	+/-											
15	Adjustment (3)			_	43,705			_			-130,756		-87,051
16	Adjustments to reported prior years' variances (4)												0
	Carrying charges	+/-			2,863		4,159		-4,242				2,780
40	PILs collected from	-							4 004 700				
10	customers - Proxy (5)	_	0		-667,806	_	-1,012,706		-1,091,732	_		_	-2,772,244
19	F-di		246 247		E00 E40		E47 000		60.205	_	906 757	_	906 757
20	Ending balance: # 1562		246,317		528,512		517,232	-	60,395	- 7	806,757		806,757
21	BU U				J		J						
00	PILs collected from	3.0	^		•		•		_		_		
22	customers - Reg Assets (6)				0			=	0		0		0

24 Note:

37

38

39

41

43

47

48

49

50

54 55 56

59 60

- The purposes of this worksheet is to show the movement in Account 1562.
- Professional 26 For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities
- 28 Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery.

29 Answer: METHOD 3

- (1) (i) From the Initial Estimate Column, under Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C13 and E13.
 - (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
 - (v) Column K The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
- (2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I130, of the TAXCALC spreadsheet
- 42 (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I179, of the TAXCALC spreadsheet
- 44 (4) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.
- 45 (5) This should equal the actual kWhs for the period (including net unbilled at period end), multiplied by the PILs proxy rates
 - from the Q4 2001 and 2002 PILs worksheets for 2002, 2003 and January 1 to March 31, 2004.

 In 2004, use the Board-approved 2002 PILs proxy rate for the period April 1 to December 31, 2004 added to the result from the sentence above for January 1 to March 31, 2004.
- (6) Any interim PILs recovery from the Reg Asset decisions will be recorded in APH Account # 1590. Final reconciliation of PILs proxy taxes will have to include amounts from 1562 and from 1590.
 53

	A	В	С	D	E
1	SIMPIL RRR FILING			_	Version 2005.1
2	REGULATORY INFORMATION (REGINFO)				RRR # 2.1.8
	Utility Name: HALTON HILLS HYDRO INC.			Colour Code	
	Reporting period: 2005			Input Cell	
5	David Samuel Land	005	dana	Formula in Cell	1
	Days in reporting period:	365	days		
8	Total days in the calendar year:	365	days		
	BACKGROUND				
	Has the utility reviewed section 149(1) ITA to				
11	confirm that it is not subject to regular corporate				
12	tax (and therefore subject to PILs)?		Y/N	Y	
10					
14 15	Was the utility recently acquired by Hydro One and now subject to s.89 & 90 PILs?		Y/N	N.	
10			1719		
17	Is the utility a non-profit corporation?		Y/N	N	
	(If it is a non-profit corporation, please contact the Rates Manager at the OEB)				
	Are the Ontario Capital Tax & Large Corporations Tax Exemptions	OCT	Y/N	Y	
	shared among the corporate group?	LCT	Y/N	Ņ	
	Please identify the % used to allocate the OCT and LCT exemptions in	OCT		100%	
22	Cells C68 & C77 in the TAXCALC spreadsheet.	LCT		100%	
	Accounting Year End		Date	12-31-2005	
20					
	MARR NO TAX CALCULATIONS				Regulatory
	SHEET #7 FINAL RUD MODEL DATA (FROM 1999 FINANCIAL STATEMENTS)				Income
	USE BOARD-APPROVED AMOUNTS				
30	OC BOARD-AI TROVED AIROUTTO				
31	Rate Base (wires-only)			25,052,968	
33	Common Equity Ratio (CER)			50.00%	
04	1-CER			50.00%	
00					
	Target Return On Equity			9.88%	
39	Debt rate			7.25%	
41	Market Adjusted Revenue Requirement			2,145,787	
	1999 return from RUD Sheet #7			0	0
45	Total Incremental revenue			2,145,787	
	Input: Board-approved dollar amounts phased-in				
47	Amount allowed in Year 1 - 2001			715,262	715,262
48	Amount allowed in Year 2 - 2002			715,262	715,262
49	Amount allowed in 2003 and 2004 (will be zero due to Bill 210;				
50	unless authorized by the Minister and the Board)	Lano V		745 000	
51 52	Amount allowed in Year 3 - 2005; no gross-up; (with approved CDM pl Other adjustments approved by the Board	an)		715,262 108,654	
53	Other adjustments approved by the Board			100,004	108,654
54	Total Regulatory Income				2,254,440
55	. Juli Nogulatorj modino				ವೃದರಗ್ಯಗಳು
	Equity			12,526,484	
57					
	Return at target ROE			1,237,617	
59	Dald			40 500 404	
60	Debt	_	-	12,526,484	
	Deemed interest amount in 100% of MARR			908,170	
63	Doction interest amount in 10070 of WATCH			300,170	
	Phase-in of interest - Year 1 (2001)			302,723	
65	((D43+D47)/D41)*D62	11 -77 - 7		,	
	Phase-in of interest - Years 2, 3 & 4 (2002, 2003,2004)			605,447	
67	((D43+D47+D48)/D41)*D62 (Due to Bill 210)				
	Phase-in of interest - Year 3 (2005) and forward			908,170	
69					
70			-		
72			-		
14			li.		L

	<u> </u>	1 0		DIE	TELOL	T t			-
1	A SIMPIL RRR FILING	ITEM	C Initial	D E	FGH	M of F	J M of F	M of F	
-	DEFERRAL/VARIANCE ACCOUNTS	I I EW	Estimate			Filing	Filing	Filing	
3	TAX CALCULATIONS (TAXCALC)					Variance	Variance	10.00	
	("Wires-only" business - see Tab TAXREC)					K-C	Explanation	(June)	
5 6	RRR # 2.1.8	-				-		Version 2005.1	
-	Utility Name: HALTON HILLS HYDRO INC.	_	\$			\$		- 3	
8	Reporting period: 2005							Column	
9	Days in reporting period:	365	days					Brought	
10	Total days in the calendar year:	365	days					From	
11		-			+++			TAXREC	
12	I) CORPORATE INCOME TAXES	-			++	+		-	_
14	IJ CORPORATE INCOME TAXES	_		_					
15	Regulatory Net Income REGINFO E54	1	2,254,440			211,668		2,466,108	
16									
17	BOOK TO TAX ADJUSTMENTS	-			-				
18	Additions:	-	*	_					_
	Depreciation & Amortization	2	1,604,164			279,942		1,884,106	
	Employee Benefit Plans - Accrued, Not Paid	3	15,448			13,772		29,220	
22	Tax reserves - beginning of year	4						0	
23	Reserves from financial statements - end of year	4	52,983		+++	50,554		103,537	
25	Regulatory Adjustments - Increase in income Regulatory Assets - to balance to tax return	5		-1-	+++	0		0	
	Other Additions (See Tab entitled "TAXREC")								
27	"Material" Items from "TAXREC" worksheet	6	IV USUA			0		0	
28	Other Additions (not "Material") "TAXREC"	6				7,084		7,084	
29 30	"Material Items from "TAXREC 2" worksheet	6		_		325,000		325,000	
31	Other Additions (not "Material") "TAXREC 2"	1 0	THE RESERVE OF THE PARTY OF THE	_		1	1	- 4	
32	Deductions: Input positive numbers								
33	Capital Cost Allowance and CEC	7	1,562,567			91,111		1,653,678	
	Employee Benefit Plans - Paid Amounts	8	13,548			3,172		16,720	
	Items Capitalized for Regulatory Purposes Regulatory Adjustments - deduction for tax purposes in Item 5	10	A STEVENS	_	+++	0		0	_
37	Regulatory Assets - to balance to tax return	10			+++	0		0	
38	Interest Expense Deemed/ Incurred	11	908,170			280,664		1,188,834	
39	Tax reserves - end of year	4				0		0	
40	Reserves from financial statements - beginning of year	4	66,837		+++	3,163		70,000	
41	Contributions to deferred income plans Contributions to pension plans	3		-	+++	0		0	
43	Interest capitalized for accounting but deducted for tax	11	THE PERSON NAMED IN	-	+++			0	
44	Other Deductions (See Tab entitled "TAXREC")								
45	CDM 2005 incremental OM&A expenses per 2005 PILs model	12						0	
46	"Material" Items from "TAXREC" worksheet	12				25,444		0 05 111	
47	Other Deductions (not "Material") "TAXREC" Material Items from "TAXREC 2" worksheet	12			+++	25,444		25,444	_
49	Other Deductions (not "Material") "TAXREC 2"	12	Water State	_		Ö		0	
50									
51	TAXABLE INCOME/ (LOSS)	_	1,375,913		+++	484,466	Before loss C/F	1,860,379	
52 53	BLENDED INCOME TAX RATE			_	-				-
54	Tab Tax Rates - Regulatory from Table 1; Actual from Table 3	13	36.12%	-	++	-2.3400%	Formula	33.78%	
55			50.12.70			2,0.00%	1 Similar		
56	REGULATORY INCOME TAX		496,980			21,356	Actual	518,336	
57		-							
58 59	Miscellaneous Tax Credits	14	C DI CONTROL CONTROL		1		Actual	0	
60	INTOCONICIO DE LA OTOGICA	1					Acidal	, u	
61	Total Regulatory Income Tax		496,980			21,356	Actual	518,336	
62									
63	II) CADITAL TAVES	-							
65	II) CAPITAL TAXES	1		_	+	1	-		-
66	Ontario								
67	Base	15	25,052,968			9,997,986		35,050,954	
68	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	16	7,500,000	_	$\perp \perp \perp$	-544,467		6,955,533	
69 70	Taxable Capital	1-	17,552,968	_	+++	9,453,519	-	28,095,421	
71	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	17	0.3000%		+	0,3000%		0.3000%	
72	Table Tragation III Table 1, Florida, Table 9		0,000070			0,000076		5.000074	
73	Ontario Capital Tax		52,659			31,626		84,285	
74	F. 1 1	-		_					
75 76	Federal Large Corporations Tax Base	18	25,052,968	-	++	-25,052,968		0	
77	Less: Exemption -Tax Rates - Regulatory, Table 1; Actual, Table 3	19	50,000,000		+++	-25,052,968		0	
78	Taxable Capital	1	0 000,000			-75,052,968		0	
79									
80	Rate - Tax Rates - Regulatory, Table 1; Actual, Table 3	20	0.1750%		\vdash	0.0000%		0.1750%	
81 82	Gross Amount of LCT before surtax offset (Taxable Capital x Rate)	-	0	_	+++	- c	1	0	-
83	Less: Federal Surtax 1,12% x Taxable Income	21	0		+++	1 0		0	
84									
85	Net LCT		0					0	
86		1000					1		

	,	рТ		D. I. I		CLU		J	I V I	\neg
	A A	В	C	DI	F	G H			K	-
	SIMPIL RRR FILING	ITEM	Initial	-		_	M of F Filing	M of F Filing	M of F Filing	_
	DEFERRAL/VARIANCE ACCOUNTS	_	Estimate	-	+		Variance	Variance	Filling	-
	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)			-	-	_	K-C	Explanation	(June)	-
	RRR # 2.1.8			-	-	_	N-G	Explanation	Version 2005.1	-
6	KKK # 2.1.0		\$		-		\$		\$	
-	HIVING HEION IN DATES	-		-	_	_			-	\neg
88	III) INCLUSION IN RATES			-	-	_				-
	Income Tax Rate used for gross- up	_	36,12%	_	_	_				-
90	Income Fex Ivate asea for gross- up	_	00,1270	-	-	-				
	Income Tax (proxy tax is grossed-up)	22	777,990	-	-			Actual 2005	518,336	
	LCT (proxy tax is grossed-up)	23	0					Actual 2005	0	
	Ontario Capital Tax (no gross-up since it is deductible)	24	52,659					Actual 2005	84,285	
94										
95										
96	Total PILs for Rate Adjustment - MUST AGREE WITH 2005	25	830,648					Actual 2005	602,621	
97	RAM DECISION									
98										
99										
	IV) FUTURE TRUE-UPS									
101	IV a) Calculation of the True-up Variance						DR/(CR)			
	In Additions:									
103	Employee Benefit Plans - Accrued, Not Paid	3					13,772			
	Tax reserves deducted in prior year	4					0	ů.		
	Reserves from financial statements-end of year	4					50,554			
	Regulatory Adjustments	5						41		_
	Other additions "Material" Items TAXREC	6			_	-	0			
	Other additions "Material" Items TAXREC 2	6		-	-		325,000			-
	In Deductions - positive numbers	_			-		0.470	H.		-
	Employee Benefit Plans - Paid Amounts	8 9		-	-		3,172			-
	Items Capitalized for Regulatory Purposes Regulatory Adjustments	10		-	-	-	0		 	-
	Interest Adjustment for tax purposes (See Below - cell I207)	11		-	-	-	280,664	1		-
	Tax reserves claimed in current year	4			_		200,004			-
	Reserves from F/S beginning of year	4		-	-		3.163			
	Contributions to deferred income plans	3					0			
	Contributions to pension plans	3	: ::				Ö			
118	Other deductions "Material" Items TAXREC	12					0			
	Other deductions "Material" Item TAXREC 2	12					0			
120										
121	Total TRUE-UPS before tax effect	26				=	102,327			
122										
123	Income Tax Rate from 2005 Utility's tax return					×	33.78%			
124					_					
125	Income Tax Effect on True-up adjustments					=	34,566			_
126		44			-	-	-			-
127	Less: Miscellaneous Tax Credits	14		-		-	0		l	-
128	T-t-th				-	-	34,566			-
130	Total Income Tax on True-ups			-	-	_	34,300		-	
131	Income Tax Rate used for gross-up			-	-		32.66%			
132	income tax trate used for gloss-up			_			02.0070			
133	TRUE-UP VARIANCE ADJUSTMENT						51,331			
134										
	IV b) Calculation of the Deferral Account Variance caused by									
135	changes in legislation									
136				-						
	REGULATORY TAXABLE INCOME /(LOSSES) (as reported in the initial									
137	estimate column)					=	1,375,913			
138	*									
139	REVISED CORPORATE INCOME TAX RATE					х	33.78%			
140										
	REVISED REGULATORY INCOME TAX					=	464,783			
142					-					
	Less: Revised Miscellaneous Tax Credits				-		0			
144	Total Device d Decodetes have a Terr			-	-	-	404.700			-
	Total Revised Regulatory Income Tax			-	-		464,783			
146	Less; Regulatory Income Tax reported in the Initial Estimate Column			-	-	-				
147	(Cell C61)					100	496,980			l
148	Joon Soll					-	430,300			
	Regulatory Income Tax Variance					=	(32,196)			
150	The state of the s						(02,100)			
	Ontario Capital Tax									
	Base					=	25,052,968			
	Less: Exemption from tab Tax Rates, Table 2, cell C39					-	7,500,000			
154	Revised deemed taxable capital					=	17,552,968			
155										
	Rate - Tab Tax Rates cell C54					х	0.3000%			-3.5
157	B : 10 : 10 : 17					_				
158	Revised Ontario Capital Tax		-			- 5	52,659		-	
450	Less: Ontario Capital Tax reported in the initial estimate column (Cell						50.050		1 1	ı
	C73)			-	-		52,659			
100	Regulatory Ontario Capital Tax Variance			_		_ =			1	

	A	В	С	T D	Е	F	6	н	- r T	J	ГК	T
1	SIMPIL RRR FILING	ITEM	Initial	10	<u> </u>	-	0		M of F	M of F	M of F	-
	DEFERRAL/VARIANCE ACCOUNTS	HEM		1		_		\vdash	Filing	Filing	Filing	
_		-	Estimate	1	-	_		\vdash			Filing	
	TAX CALCULATIONS (TAXCALC) ("Wires-only" business - see Tab TAXREC)	-		-	-	-	-	\vdash	Variance	Variance	(1)	-
		-		-	-	-		\vdash	K-C	Explanation	(June)	-
6	RRR # 2.1.8	-	Φ.		-	-	-	-			Version 2005.1	-
			\$\$	\leftarrow	_	_	_	-	\$		\$	-
161		-										_
	Federal LCT			_	-		_					_
163	Base								25,052,968			_
164	Less: Exemption from tab Tax Rates, Table 2, cell C40				-	_		-	50,000,000			_
165	Revised Federal LCT						_	=	(24,947,032)			_
166				_								_
167	Rate (as a result of legislative changes) tab 'Tax Rates' cell C55								0.1750%			_
168							_					
	Gross Amount								0			
170	Less: Federal surtax							-	0			
	Revised Net LCT							=	0			
172												
	Less: Federal LCT reported in the initial estimate column (Cell C85)							-	0			
	Regulatory Federal LCT Variance							=	0			
175												
	Actual Income Tax Rate used for gross-up								32.66%			
177												
178	Income Tax (grossed-up)							+	(47,812)			
179	LCT (grossed-up)							+	0			
180	Ontario Capital Tax							+	0			
181												
182	DEFERRAL ACCOUNT VARIANCE ADJUSTMENT							=	(47,812)			
183												
184	TRUE-UP VARIANCE (from cell I133)							+	51,331			
185												
186	Total Deferral Account Entry (Positive Entry = Debit)							=	3,519			
187	(Deferral Account Variance + True-up Variance)											
188	ATTO MICHELINO CONTROL OF THE CONTRO											
189												
190											i i	
	V) INTEREST PORTION OF TRUE-UP			\top								
	Variance Caused By Phase-in of Deemed Debt			+								
193				\top			\vdash					
	Total deemed interest (REGINFO)				İ				908,170			
	Interest phased-in (Cell C38)			\top					908,170			
196				\top								
	Variance due to phase-in of debt component of MARR in rates			1	-				0			
198	according to the Board's decision			1					-			
199				1								
	Other Interest Variances (i.e. Borrowing Levels											
201	Above Deemed Debt per Rate Handbook)							\vdash				
_	Interest deducted on MoF filing (Cell K38+K43)			1					1,188,834			
203	Total deemed interest (REGINFO CELL D62)			1					908,170			1
204	Total dooned incolor (NEOHII O OEEE DOZ)			1				 	555,110			1
	Variance caused by excess debt			1					280,664			1
206	TOTAL OC CAGCOO DY GAOGO GODE	1		+	1			 	200,004			1
	Interest Adjustment for Tax Purposes (carry forward to Cell I113)	1		+	_	-	\vdash	1	280,664			1
208	interest Adjustment for Tax Fullboses (carry forward to cell [1 (3)	1		+	_	1	-	1	200,004		-	-
209	Total Interest Variance			1	-	-	-	1	-280,664	-		1
210		_		+		-	-	-	-200,004			-
210					1		4				I	1

	A	В	С	D	E	F
1	SIMPIL RRR FILING	LINE	M of F	Non-wires	Wires-only	
2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act) RRR # 2.1.8		Tax Return	(positive numbers)	Return	
5	Total in mattre		reddin		Version 2005.1	
	Section A: Identification:					
7	Utility Name: HALTON HILLS HYDRO INC. Reporting period: 2005					
	Taxation Year's start date:		Jan 1/05			
10	Taxatlon Year's end date:		Dec 31/05			
12	Number of days in taxation year:		365	days		
13	Please enter the Materiality Level :		31,316	< - enter materiality	level	
14	(0.25% x Rate Base x CER)	Y/N	Y			
16	(0.25% x Net Assets) Or other measure (please provide the basis of the amount)	Y/N	N			
17	Does the utility carry on non-wires related operation?	Y/N Y/N	N Y			
	(Please complete the questionnaire in the Background question		orksheet.)			
19	Note: Carry forward Wires-only Data to Tab "TAXCALC" Column K	-				_
21	rede, Carry to ward vyres-only bata to Tab TAXOALO Coldinin R					
	Section B: Financial statement data:					
23	Input unconsolidated financial statement data submitted with Tax re The actual categories of the income statements should be used.	eturns.				
25	If required please change the descriptions except for amortization, in	nterest e	expense and provis	ion for income tax		
26						
27	Please enter the non-wire operation's amount as a positive number, in the "non-wires elimination column" as negative values in TAXREC			treats all amounts		
29	Miles in the second of the sec					
30	Income:		00047.004		26.047.004	
31 32	Energy Sales Distribution Revenue	+	-36,847,936 8,883,939		36,847,936 8,883,939	
33	Other Income	+	1,116,930	47,698	1,069,232	
34 35	Miscellaneous income	+		1 2 2 2	0	
36	Revenue should be entered above this line	+			0	
37						
38	Costs and Expenses:		20 047 000		20.047.000	
40	Cost of energy purchased Salaries & benefits	:	36,847,936 3,489,322	3,500	36,847,936 3,485,822	
41	Material costs		1,514,086		1,514,086	
42	Contract services Amortization (links to C61 below)		2,704,632 1,884,106		2,704,632 1,884,106	
44	Ontario Capital Tax	-	1,884,106	ENTER N	68,445	
45	CDM Expenses for 2005	-	55,108	Th. 17 2 2 2 2 3	55,108	
46	Property costs Other expenses	- 1	517,652 698,660	4.317	513,335 698,660	
48	Communications costs	-:-	260,991		260,991	
49	Recovery of regulatory assets		1,004,331		1,004,331	
50 51	Allocated to capital		-4,702,453	No. of Edition	-4,702,453	
52		-	A		0	
53	Net Income Before Interest & Income Taxes EBIT	=	2,505,989	39,881	2,466,108	
54 55	Less: Interest expense for accounting purposes Provision for payments in lieu of income taxes	2	1,188,834 646,313	10,285	1,188,834 636,028	
56	Net Income (loss)	=	670,842	29,596	641,246	
	(The Net Income (loss) in the MoF column should equal to the net income					
57	(loss) per financial statements on Schedule 1 of the tax return)					
58						
	Section C: Reconciliation of accounting income to taxable inco From T2 Schedule 1	me				
	BOOK TO TAX ADDITIONS:					
62	Provision for income tax	+	646,313	10,285	636,028	
	Federal large corporations tax Depreciation & Amortization	+	1,884,106	0	1,884,106	
	Employee benefit plans-accrued, not paid	+	29,220	0	29,220	
66	Tax reserves - beginning of year	+	0	. 0	0	
	Reserves from financial statements- end of year Regulatory adjustments	+	103,537	0	103,537	
69	Regulatory Assets changes	+			0	
70	Material addition items from TAXREC 2	+	325,000	0	325,000	
71 72	Olher addition items (not Material) from TAXREC 2	+	0	0	0	
73	Subtotal		2,988,176	10,285	2,977,891	
74	Other Additional (Olanes - State No. 1997)	-				
	Other Additions: (Please explain the nature of the additions) Recapture of CCA	+	27	Mary III	0	
77	Non-deductible meals and entertainment expense	+	5,787	10 = 1	5,787	
	Capital items expensed	+			0	
79 80	Charitable donations Capital tax accrued in income statement	+			0	
81	Book loss of joint venture	+	1,297		1,297	
82	Total Othor Additions	+	7.00		7.004	
84	Total Other Additions	=	7,084	0	7,084	
85	Total Additions	=	2,995,260	10,285	2,984,975	
86	Phone Manager Andrews					
88	Recap Material Additions:		0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0		
93			0	0		
94			0	.0	0	
95	Total Other additions >materiality level		7,084	.0		
* AO		-	7,084	0		
97	Total Other Additions		1 - [1] 140		1.0041	

A	В	С	D	E
SIMPIL RRR FILING	LINE	M of F	Non-wires	Wires-only
TAX RETURN RECONCILIATION (TAXREC)		Corporale	Eliminations	Tax
(for "wires-only" business - see s. 72 OEB Act)		Tax	(positive numbers)	Return
RRR # 2.1.8		Return		Version 2005.1
BOOK TO TAX DEDUCTIONS:	_			Version 2000.1
Capital cost allowance	- 1	1,587,060	The second	1,587,060
Cumulative eligible capital deduction		66,618		66,618
Employee benefit plans-paid amounts	-	16,720		16,720
Items capitalized for regulatory purposes				0
Regulatory adjustments :				0
CCA	-			0
other deductions Regulatory Assets changes				0
Regulatory Assets changes Tax reserves - end of year		0	0	0
Reserves from financial statements- beginning of year	1	70.000	Ö	70,000
Contributions to deferred income plans		10,000		0
Contributions to pension plans		(STATE STAT		0
Interest capitalized for accounting deducted for tax	-			0
Material deduction items from TAXREC 2	-	0	. 0	0
Other deduction items (not Material) from TAXREC 2		0	0	0
Subtotal	= 1	1,740,398	0	1,740,398
Other deductions (Please explain the nature of the deductions)		1,740,398	0	1,740,398
Charitable donations - tax basis	- 1	Day Carlotte		0
Gain on disposal of assets	-	25,444		25,444
		14 12 7		0
Capital tax per CT23				0
T-1-1-0/1 P-1-1"	-	LIVE SHAPE	THE RESERVE OF THE	0
Total Other Deductions	=	25,444	0	25,444
Total Deductions	= 1	1 765 0 46	0	1 765 040
Total Deductions		1,765,842	0	1,765,842
Recap Material Deductions				
			0	0
		0	0	0
		0	0	0
		.0	0	0
Total Office Confine Constitution and a standard to the stand		0	0	0
Total Other Deductions exceed materiality level Other Deductions less than materiality level	-	0 25,444	0	0 25,444
Total Other Deductions		25,444	0	25,444
TAXABLE INCOME	=	1,900,260	39,881	1,860,379
DEDUCT:			- 30	
Non-capital loss applied positive number	- 1			0
Net capital loss applied positive number Charitable donations		205 000		0
NET TAXABLE INCOME	=	325,000 1,575,260	39,881	325,000 1,535,379
INCT POVODEE INCOME		1,575,200	38,001	1,555,575
FROM ACTUAL TAX RETURNS				
Net Federal Income Tax (Must agree with tax return)	+	321,448	8,318	313,130
Net Ontario Income Tax (Must agree with tax return)	+	210,536	5,330	205,206
Subtotal	=	531,984	13,648	518,336
Less: Miscellaneous tax credits (Must agree with tax returns) Total Income Tax	-	531,984	40.040	518,336
Total income rax	-	551,964	13,648	510,335
APPLICABLE TAX RATES FROM ACTUAL TAX RETURNS				
Net Federal Income Tax Rate (Must agree with tax status)		20.41%		20.41%
Net Ontario Income Tax Rate (Must agree with tax status)		13.37%		13.37%
Blended Income Tax Rate		33.78%		33.78%
Section D: Detailed calculation of Ontario Capital Tax				
Section D: Detailed calculation of Ontario Capital Tax				
ONTARIO CAPITAL TAX				
(From Ontario CT23)				
(From Ontario CT23) PAID-UP CAPITAL				
(From Ontario CT23) PAID-UP CAPITAL		22 19:100		
(From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock	*	16,161,663		16,161,663
(From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct)	+/-	16,161,663 3,065,624		3,065,624
(From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding	+/-			3,065,624 0
(From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus	+/-			3,065,624
(From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus Loans and advances Bank loans	+/- + +	3,065,624		3,065,624 0 0 16,525,106
(From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus Loans and advances Bank loans Bankers acceptances	+/- + + + + + +	3,065,624		3,065,624 0 0 16,525,106 0
(From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus Loans and advances Bank loans Bankers acceptances Bonds and debentures payable	+/- + + + + + + +	3,065,624		3,065,624 0 0 16,525,106 0 0
(From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus Loans and advences Bank loans Bankers acceptances Bonds and debentures payable Mortgages payable	+/- + + + + + + + + + + + +	3,065,624		3,065,624 0 0 16,525,106 0 0 0
From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus Loans and advances Bank loans Bankers acceptances Bonds and debentures payable Mortgages payable Lien notes payable	+/- + + + + + + + + + + + + + +	3,065,624		3,065,624 0 0 16,525,106 0 0 0 0
From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus Loans and advances Bank loans Bankers acceptances Bonds and debentures payable Mortgages payable Lien notes payable Deferred credits	+/- + + + + + + + + + + + + + + + +	3,065,624		3,065,624 0 0 16,525,106 0 0 0 0
From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus Loans and advances Bank loans Bankers acceptances Bonds and debentures payable Mortgages payable Lien notes payable Deferred credits Contingent, investment, inventory and similar reserves	+/- + + + + + + + + + + + + + + +	3,065,624		3,065,624 0 0 16,525,106 0 0 0 0 0 0
From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus Loans and advences Bank loans Bankers acceptances Bonds and debentures payable Mortgages payable Lien notes payable Deferred credits Contingent, investment, inventory and similar reserves Other reserves not allowed as deductions	+/- + + + + + + + + + + + + + + + +	3,065,624 16,525,106		3,065,624 0 0 16,525,106 0 0 0 0 0 0
From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus Loans and advances Bank loans Bankers acceptances Bonds and debentures payable Mortgages payable Lien notes payable Deferred credits Contingent, investment, inventory and similar reserves Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital	+/- + + + + + + + + + + + + +	3,065,624	0	3,065,624 0 0 16,525,106 0 0 0 0 0 0 0 0 0 0 0 0
From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus Loans and advences Bank loans Bankers acceptances Bonds and debentures payable Mortgages payable Lien notes payable Usen notes payable Contingent, investment, inventory and similar reserves Cither reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total	+/- + + + + + + + + + + + + + + +	3,065,624 16,525,106	0	3,065,624 0 0 16,525,106 0 0 0 0 0 0 0 0 0 0 0 0
Loans and advences Bank loans Bankers acceptances Bonds and debentures payable Mortgages payable Lien notes payable Deferred credits Contingent, investment, inventory and similar reserves Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract: Amounts deducted for income tax purposes in excess of amounts	+/- + + + + + + + + + + + + + + +	3,065,624 16,525,106 18,000 35,770,393	0	3,065,624 0 0 16,525,106 0 0 0 0 0 0 0 0 0 0 0 0 0
Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appreisal surplus Loans and advances Bank toans Bank toans Bankers acceptances Bonds and debentures payable Mortgages payable Lien notes payable Deferred credits Contingent, investment, inventory and similar reserves Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subtract Amounts deducted for income tax purposes in excess of amounts	+/- + + + + + + + + + + + + + + + + + +	3,065,624 16,525,106	0	3,065,624 0 0 16,525,106 0 0 0 0 0 0 0 0 0 0 0 0
From Ontario CT23) PAID-UP CAPITAL Paid-up capital stock Retained earnings (if deficit, deduct) Capital and other surplus excluding appraisal surplus Loans and advances Bank loans Bankers acceptances Bonds and debentures payable Mortgages payable Lien notes payable Lien notes payable Deferred credits Contingent, investment, inventory and similar reserves Other reserves not allowed as deductions Share of partnership(s), joint venture(s) paid-up capital Sub-total Subract Amounts deducted for income tax purposes in excess of amounts	+/- + + + + + + + + + + + + + + + + + +	3,065,624 16,525,106 18,000 35,770,393	0	3,065,624 0 0 16,525,106 0 0 0 0 0 0 0 0 0 0 0 0 0

	A	В	С	D	E	F
1	SIMPIL RRR FILING	LINE	M of F	Non-wires	Wires-only	Г
2	TAX RETURN RECONCILIATION (TAXREC)	LITTE	Corporate	Eliminations	Tax	
3	(for "wires-only" business - see s. 72 OEB Act)		Tax	(positive numbers)	Return	
4	RRR # 2.1.8		Relurn			
5					Version 2005,1	
181						
	ELIGIBLE INVESTMENTS	_				
183	Bonds, lien notes, interest coupons	+	THE PERSON NAMED IN		0	
185	Mortgages due from other corporations	+			0	
	Shares in other corporations	+	904,773		904,773	
	Loans and advances to unrelated corporations	+			0	
	Eliqible loans and advances to related corporations	+	865,551		865,551	
	Share of partnership(s) or joint venture(s) eligible investments	+	4,000		4,000	
190	Total Eligible Investments	=	4 774 204	0	4 774 204	
192	Total Eligible Investments	-	1,774,324	- 0	1,774,324	
193						
194	TOTAL ASSETS					
195						
196		+	· 45,090,868		45,090,868	
	Mortgages or other liabilities deducted from assets	+		2.5	0	
	Share of partnership(s)/ joint venture(s) total assets Subtract: Investment in partnership(s)/joint venture(s)	+	20 221		39,221	
200	general and surious and parameter in the surious of	-	39,221		35,221	
201	Total assets as adjusted	=	45,051,647	0	45,051,647	
202						
203						
204		+	I SAC II SAC	THE CONTRACTOR	0	
205	Other reserves not allowed as deductions Subtract:	+			0	
200	Amounts deducted for income tax purposes in excess of amounts				- 0	
207	booked		-694,903		-694,903	
-553	Deductible R&D expenditures and ONTTL costs deferred	-			0	
	for income tax			British Children		
209	Subtract: Appraisal surplus if booked				0	
211	Add or subtract: Other adjustments	+/-			0	
212	Total Assets	=	45,746,550	0	45,746,550	
213			10,0,10,000		10,1 10,000	
214						
215	Investment Allowance		1,414,342	0	1,414,342	
216						
218	Taxable Capital					_
219	Net paid-up capital	+	36,465,296	0	36,465,296	
220	Subtract: Investment Allowance	- 3	1,414,342	0	1,414,342	
221	5 - 17 to		1 1000000000000000000000000000000000000			
222	Taxable Capital	.=	35,050,954	0	35,050,954	
223	Capital Tax Calculation					
225	Deduction from taxable capital up to maximum of \$7,5000,000		6,955,533	0	6,955,533	
226	(Input in tab Tax Rates)		0,000,000		0,000,000	
227	Net Taxable Capital		28,095,421	0	28,095,421	
228	THYMAN					
229	Rate		0.3000%	0.3000%	0.3000%	
230	Days in taxation year		207	200	205	
232	Divide days by 365		365 1.00	365 1.00	365 1.00	_
233	201001000		1,50	1.00	1.00	
234	Ontario Capital Tax (as calculated)		84,286	0	84,286	
235						
236	Ontario Capital Tax (Must agree with CT23 return)		84,285	0	84,285	
237	Section 5: Detailed calculation of Large Cornections Torr					
239	Section E: Detailed calculation of Large Corporations Tax					
	LARGE CORPORATIONS TAX		*** NOT APPLICAB	LE FOR HHH GRO	DUP***	
241	(From Federal Schedule 33)					
	CAPITAL					
243	ADD:	-				
244	Reserves that have not been deducted in computing income for the year under Part I	+			D	
	Capital stock	+			0	
246	Retained earnings	+			0	
247	Contributed surplus	+			0	
	Any other surpluses	+	10000		0	
	Deferred unrealized foreign exchange gains	+			0	
200	All loans and advances to the corporation All indebtedness- bonds, debentures, notes, mortgages, bankers	+			0	
251	acceptances, or similar obligations	+			0	
	Any dividends declared but not paid	+			0	
253	All other indebtedness outstanding for more than 365 days	+			0	
254						
255	Subtotal	=	0	0	0	

TAX RETURN RECONCILATION (TAXREC)	Т	A	В	С	D	E	F
	1 5	SIMPIL RRR FILING	LINE	M of F	Non-wires	Wires-only	
RRR # 2-1.6	2	TAX RETURN RECONCILIATION (TAXREC)		Corporate	Eliminations	Tax	
Version 2005.1	3 (for "wires-only" business - see s. 72 OEB Act)		Tax	(positive numbers)	Return	
	4 1	RRR # 2.1.8		Relurn			
TOEDICT:	5					Version 2005.1	
Speterrod tax debit belance	56		T				
Speterrod tax debit belance	57 [DEDUCT:					
9 Any deficit deducted in computing shareholders' equity Any patronage dividined 135(1) deducted in computing income 0 under Part I included in amounts above 0 0 10 Deferred unrealized foreign exchange losses 2 0 0 0 0 0 0 3 Subtotal = 0 0 0 0 0 4 1 0 0 0 0 0 0 0 5 Capital for the year 0 0 0 0 0 0 7 INVESTMENT ALLOWANCE 8 9 Shares in another corporation + 0 0 0 0 0 0 10 Loan or advance to another corporation + 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0			2	NU NO STATE		0	
Any patronage dividends 135(1) deducted in computing income on under Part Included in amounts above				COMPLEX III			
0		Any patronage dividends 135(1) deducted in computing income				- 4	
10 Deferred unrealized foreign exchange losses -				COLDINATION IN	THE PARTY OF THE PARTY OF	0	
Subtotal = 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0							
Sample S	32	a contract and a cont					
S Capital for the year	33	Subtotal	1 = 1	0	0	0	
Scapital for the year	54	0.000					_
Society Soci		Capital for the year		0	0	0	
7 INVESTMENT ALLOWANCE	66	Papital for the Year	1 -				
Shares in another corporation		NVESTMENT ALLOWANCE					
Section Sect	38	WEST ALLST ALLST AND LONG AND					
Column or advance to another corporation		Shares in another corporation	1 + 1	0		0	
Bond, debenture, note, mortgage, or +					DESCRIPTION OF THE PERSON NAMED IN COLUMN TWO IS NOT THE PERSON NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TWO IS NAMED IN COLUMN TW		_
2 similar obligation of another corporation + 0 0 0 0 0 0 0 0 0							
3							_
4							
Debits of corporate partnerships that were not exempt from lax +							
Sunder Part I.3							-
Interest in a partnership +			+	STATE OF THE PARTY OF		n	
Investment Allowance							_
Investment Allowance		incress in a partnership	1			- 9	-
TAXABLE CAPITAL		Investment Allewanes	1 - 1			- 0	
TAXABLE CAPITAL		III VESTILIEIT AllOWANCE		- 0	u	U	_
TAXABLE CAPITAL			-				
Capital for the year		TAVADI E CADITAL	-				-
Capital for the year		AAABLE CAPITAL	-				_
March State Stat		Social for the case					-
Deduct: Investment allowance		Sabital for the year	-	- 0	U	- 0	-
Taxable Capital for taxation year	-	Saduati Investment alleviness	-				
Taxable Capital for taxation year		Deduct: Investment allowance	+ - +	- 0	0	- 0	
Section F: Income and Capital Taxes Section F: Income Taxes Sect		Toyoble Capital for toyotles year		0			
Deduct: Capital Deduction - maximum of \$50,000,000 0 0 0 0 0 0 0		Taxable Capital for taxation year	1 - 1	- 0	0	U	-
	_	Contract Con	-	-			_
Taxable Capital			1 -		0	- 0	
Rate 0.225% in 2002 and 2003; 0.200% in 2004; 0.175% in 2005 3 Rate 0.225% in 2002 and 2003; 0.200% in 2004; 0.175% in 2005 4 Days in year 3 B Days in year 4 Days in year 3 B Days in year 3 B Days in year 3 B Days in year 3 B Days in year 3 B Days in year 4 Days in year 3 B Days in year 3 B Days in year 3 B Days in year 3 B Days in year 3 B Days in year 4 Days in year 3 B Days in year 3 B Days in year 4 Days in year 3 B Days in year 3 B Days in year 4 Days in year 3 B Days in year 4 Days in year 3 B Days in year 4 Days in year 3 B Days in year 4 Days in year 3 B Days in year 4 Days in year 3 B Days in year 4 Days in year 3 B Days in year 4 Days in year 5 Days in year 5 Days in year 5 Days in year 5 Days in year 5 Days in year			-	-			_
Rate 0 225% in 2002 and 2003; 0.200% in 2004; 0.175% in 2005 0.17500% 0.10500 1.0000 1.1200%		raxable Capital	-	- 0	0	- 0	-
365 365		2010 0 235% in 2002 and 2002: 0 200% in 2004: 0 175% in 2005	-	0.4750000	0.475000	0.475000/	_
Days in year 385 365 3		Nate 0 225% III 2002 and 2003, 0 200% III 2004, 0 175% III 2005	-	0,17500%	0.1/500%	0.17500%1	
Divide days by 365 1.0000	-	Name to the second	-	oor	005	005	_
Total income and capital taxes Total income and capital taxes	-		-				
Section F: Income and Capital Taxes Section F: Income and Capital Taxes Section F: Income and Capital Taxes Section F: Income and Capital Taxes Section F: Income and Capital Taxes Section F: Income and Capital Taxes Section F: Income and Capital Taxes Section F: Income and Capital Taxes Section F: Income and Capital Taxes Section F: Income Taxes Section F: I		Divide days by 300	-	1.0000	1,0000	1,0000	_
Section F: Income and Capital Taxes 1.1200% 1.1200		Const Dard 12 Tour 1 CT W				- 2	
Pederal Surtax Rate		aross Part I.3 Tax LGT (Must agree with tax return)	=		. 0	0	_
1 2 Less; Federal Surtax = Actual Surtax from tax return -			1	4.40000	4.400044	1.105551	
2 Less: Federal Surtax = Actual Surtax from tax return -		-ederal Suriax Kale	-	1.1200%	1.1200%	1.1200%	-
Net Part I.3 Tax - LCT Payable (Must agree with tax return)		and Foderal Costant Antical Printer Sec. 1	-				-
Net Part I.3 Tax - LCT Payable (Must agree with tax return)		Less: rederal Surtax = Actual Surtax from tax return		THE WHAT		0	-
(ff surlax is greater than Gross LCT, then zero)	-	Lat Double Town LCT Double Officer of the	1	-			
Section F: Income and Capital Taxes				. 0		0	
		ir surtax is greater than Gross LCT, then zero)	1				
B B B B B B B B B B		Seedlan Pillerana and Apalla I wasser	+				_
		section F: Income and Capital Taxes	1				
1 Total Income Taxes + 531,984 13,648 518,336 1 Ontario Capital Tax + 84,285 0 84,285 2 Federal Large Corporations Tax + 0 0 0 3 - - - - 4 Total Income and capital taxes = 616,269 13,648 602,621			1				_
1 Ontario Capital Tax + 84,285 0 84,285 2 Federal Large Corporations Tax + 0 0 0 3							
2 Federal Large Corporations Tax + 0 0 0 3 - </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
3							
4 Total income and capital taxes = 616,269 13,648 602,621		Federal Large Corporations Tax	+ +	0	0	- O	_
			1				
	5	Total income and capital taxes	=	616,269	13,648	602,621	

	A	В	С	D	E	F
1	SIMPIL RRR FILING	LINE	M of F	Non-wires	Wires-only	
2	Tax and Accounting Reserves		Corporate	Eliminations	Tax	
3	For MoF Column of TAXCALC		Tax	(positive numbers)	Return	
4	(for "wires-only" business - see s. 72 OEB Act)		Return			
5	RRR # 2.1.8				Version 2005.1	
6						
7	Utility Name: HALTON HILLS HYDRO INC.					
8	Reporting period: 2005					
9	112					
	TAX RESERVES					
11						
	Beginning of Year:					
13	Reserve for doubtful accounts ss. 20(1)(l)				0	
	Reserve for goods & services ss. 20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)	 	- TOTAL TOTA		0	
	Debt and share issue expenses ss.20(1)(e)				0	
	Other			20 20 Million	0	
19	Other				0	
20				THE PROPERTY.	ő	
21			and the second second	NAMES OF THE OWNER, OF THE OWNER, OF THE OWNER, OF THE OWNER, OF THE OWNER, OF THE OWNER, OWNER, OWNER, OWNER,	Ö	
22	Total (carry forward to the TAXREC worksheet)		0	0	ō	
23						
	End of Year:				1	2.
25					0	
	Reserve for doubtful accounts ss. 20(1)(I)			With the same of the same	0	
	Reserve for goods & services ss.20(1)(m)				0	
	Reserve for unpaid amounts ss.20(1)(n)				0	
	Debt and share issue expenses ss.20(1)(e)			Park Carrie	0	
	Other		BONGS OF SERVICE		0	
	Other				0	
32					0	
33	r er a ner				0	
	Insert line above this line					
	Total (carry forward to the TAXREC worksheet)		0	0	0	
36						
	FINANCIAL STATEMENT RESERVES					
39	I HANGIAL STATEMENT RESERVES					
	Beginning of Year:					
41	Dogming of rour.	1	#11	A STATE OF THE SA	0	
42					0	
	Environmental				Ö	
44	Allowance for doubtful accounts		70,000		70,000	
	Inventory obsolescence				0	
46	Property taxes				0	
47	Other				0	
48	Other				0	
49					0	
50	Total (carry forward to the TAXREC worksheet)		70,000	0	70,000	
51						
52	End of Year:					
53					0	
54			A LANGE TO SERVICE		0	
	Environmental		100 000		0	
	Allowance for doubtful accounts		103,537		103,537	
	Inventory obsolescence				0	
58	Property taxes				0	
	Other	-			0	
61	Other				0	
		-				
	Insert line above this line		100 507		100 507	
	Total (carry forward to the TAXREC worksheet)		103,537	0	103,537	
64						

	Α	ГвГ	С	D	E F
1		В	C	U	E .
2	SIMPIL RRR FILING	LINE	M of F	Non-wires	Wires-only
3	TAX RETURN RECONCILIATION (TAXREC 2)	LINE	Corporate	Eliminations	Tax
4	(for "wires-only" business - see s. 72 OEB Act)	\rightarrow	Tax	(positive numbers)	Return
5	RRR # 2.1.8		Return	(positive hambers)	Ketuiii
6	MAX # Z. I.Q		return		Version 2005.1
7		_			Version 2003.1
8	Utility Name: HALTON HILLS HYDRO INC.	-			
_	Reporting period: 2005	-			
_	Number of days in taxation year:		365		
11	Materiality Level:		31,316		
12	mutorizinty Edveri		01,010		
	Section C: Reconciliation of accounting income to taxable income				
	Add:				
	Recapture of capital cost allowance	+		Market Ellins	0
	Gain on sale of eligible capital property	+			0
17	Income or loss for tax purposes- joint ventures or partnerships	+			0
18	Loss in equity of subsidiaries and affiliates	+	Dimino Section .		0
	Loss on disposal of assets	+	HEALTH PRINT		0
	Charitable donations	+	325,000		325,000
21	Taxable capital gains	+	n was early to the	in all try like	0
	Depreciation in inventory -end of year	+	while hiterian	The state of the s	0
	Scientific research expenditures deducted	+		e Dille of Son	0
24	per financial statements	+			0
	Capitalized interest	+		THE A STATE OF THE	0
	Non-deductible club dues and fees	+		LOURS OF THE	0
	Non-deductible automobile expenses	+	The second second		0
	Non-deductible life insurance premiums	+			0
	Soft costs on construction and renovation of buildings	+			0
	Non-deductible meals and entertainment Book loss on joint ventures or partnerships	+	Hall of the same	DESCRIPTION OF	0
	Capital items expensed	+		EAGLE OF STREET	0
	Debt issue expense	+			0
	Deemed dividend income	+			0
_	Dividends credited to investment account	+		NO BULL BUT OF	0
	Financing fees deducted in books	+			0
	Gain on settlement of debt	+			0
	Interest paid on income debentures	+			Ö
	Recapture of SR&ED expenditures	+			0
	Share issue expense	+		1 CANCEL 1	0
	Write down of capital property	+			0
42	Amounts received in respect of qualifying environment trust	+	rice introduction		0
43	Other Additions: (please explain in detail the nature of the item)	+			0
44	Debt financing expenses	+			0
45		+			0
46		+			0
	S.12(1)(x)	+		EDATE THE VIEW	0
48		+			0
49 50		+			0
		+			
51 52		+			0
53		+	Total Committee		0
54	Total Additions	=	325,000	0	325,000
55	Total Additions	-	525,000	0	020,000
	Recap of Material Additions:				
57			0	0	0
58		\neg	o o	0	0
59			0	0	0
60			0	0	0
61			0	0	0
	Charitable donations		325,000	0	325,000
63			0	0	0
64			0	0	0
65			0	0	0
66			0	0	0
67			0	0	0
68		\rightarrow	0	0	0
69		\rightarrow	0	0	0
70		-	0	0	
71 72		+	0	0	
73		+	0	0	
74		\dashv	0	0	
75			0	0	
76			0	0	
77			0	0	
78		-	0	0	
79			0	0	
80			0	0	
81			o o	0	
82			ō	0	
-	All control of the co				

3 1	A SIMPIL RRR FILING TAX RETURN RECONCILIATION (TAXREC 2)	B LINE	C M of F	D Non-wires	E Wires-only	F
3 1		LINE	M of F	Non-wires	Wires-only	
4 (TAX RETURN RECONCILIATION (TAXREC 2)				Wiles-only	
	TAX NETONIN NEDOMOLEIATION (TAXNED 2)		Corporate	Eliminations	Tax	
5 1	(for "wires-only" business - see s. 72 OEB Act)		Tax	(positive numbers)	Return	
	RRR # 2.1.8		Return			
6					Version 2005.1	
83			0	0	0	
84			0	0	0	
85			0	0	0	
86			0	0	0	
87			0	0	0	
88			0	0	0	
89			0	0	0	
90			0	0	0	
91			0	0	0	
92			0	0	0	
93			0	0	0	
94						
	Total Material additions		325,000	0	325,000	
96 (Other additions less than materiality level		0	0	0	
97	Total Additions		325,000	0	325,000	
98						
99	Deduct:					
	Gain on disposal of assets per f/s	- 1	HEZELNI DALLO		0	
	Dividends not taxable under section 83				0	
	Terminal loss from Schedule 8				0	
	Depreciation in inventory, end of prior year	-	DA SIARWA AND N	The Real Hotel	0	
104	Scientific research expenses claimed in year from Form T661			Massin masin	0	
	Bad debts	- I			0	
	Book income of joint venture or partnership	- 1			0	
	Equity in income from subsidiary or affiliates			WE SERVE	0	
	Contributions to a qualifying environment trust				0	
	Other income from financial statements	1			0	
	Other deductions: (Please explain in detail the nature of the item)	1				
	Imputed interest on Reg Assets				0	
	SEC 20(1) (e)				0	
					0	
					0	
115	Equipment				0	
	s.13(7.4)				0	
117	a, 10(/ ,-T)				0	-
118					0	_
119		- 1			0	
120				A STATE OF THE STA	0	
	Total Deductions	=	0	0	0	_
122	Total Deductions			- 0		
123						
	Recap of Material Deductions:					
125	Necap of Material Deductions.		o	0	0	
126			0	0	0	
127 128			0	0	0	-
129		-	0	0	0	-
130		_	0	0	0	
131		\rightarrow	0	0	0	_
132			0		0	_
133		_	0	0	0	-
134		-	0	0	0	-
135			0	0	0	-
136			0		0	_
137		_	0	0	0	-
138		_	0	0	0	
139						
140			0	0	0	
140		_	0	0	0	_
141		_	0	0	0	
142		-	0	0	0	
143		\rightarrow	0	0	0	
144			0	0	0	
			0	0	0	
145			0	0	0	
146	Total Deductions exceed materiality level					
146 147	Total Deductions exceed materiality level Other deductions less than materiality level Total Deductions		0	0	0	

A B C D E F
2 Corporate Tax Rates Version 2005. 3 Exemptions, Deductions, or Thresholds RRR # 2.1.8 4 Utility Name: HALTON HILLS HYDRO INC. 5 Reporting period: 2005 6 7 Table 1 8 Rates Used in 2005 RAM PILs Applications 9 Income Range 0 400,001
3 Exemptions, Deductions, or Thresholds RRR # 2.1.8 4 Utility Name: HALTON HILLS HYDRO INC. 5 Reporting period: 2005 6 7 Table 1 8 Rates Used in 2005 RAM PILs Applications 9 Income Range 0 400,001
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7
8 Rates Used in 2005 RAM PILs Applications 9 Income Range 0 400,001
9 Income Range 0 400,001
11 Year 400,000 1,128,000
12 Income Tax Rate
13 Proxy Tax Year 2005
14 Federal (Includes surtax) 13.12% 17.75% 22.12%
15 Ontario 5.50% 9.75% 14.00%
16 Blended rate 18.62% 0.00% 27.50% 36.12%
17
19 LCT rate 0.300% Input in C19
20 Surtax 1.12% Input in C20
Ontario Canital Tay MAY
21 Exemption ** \$7.5MM 7,500,000 Input in C21
Federal Large MAX
Corporations Tax 50,000,000 input in C22
22 Exemption **
23 **Exemption amounts must agree with the Board-approved 2005 RAM PILs filing
25 Table 2
26 Expected Rates and Exemptions for 2005
27 Income Range 0 300,001 400,001
28 Expected Rates 2005 to to >1,128,000
29 Year 300,000 400,000 1,128,000
30 Income Tax Rate
31 Current year 2005 32 Fodorel (Includes outley) 13 13% 23 13% 23 13% 23 13%
32 Federal (Includes surtax) 13.12% 22.12% 22.12% 23.10% 33 Ontario 5.50% 5.50% 9.75% 14.00%
34 Blended rate 18.62% 27.62% 31.87% 36.12%
35 10.02% 27.02% 31.07% 30.12%
36 Capital Tax Rate 0.300% Input in C36
37 LCT rate 0.175% Input in C37
38 Surtax 1.12% Input in C38
Ontario Capital Tax MAX 7,500,000 Input in C39
39 Exemption *** \$7.5MM
Federal Large MAX
Corporations Tax \$50MM 50,000,000 Input in C40
40 Exemption *** \$500000 41 ***Allocation of exemptions must comply with the Board's instructions regarding
42 regulated activities.
Table 3
44 Input Information from Utility's Actual 2005 Tax Returns
45 Income Range 0 300,001 400,001
46 to to to >1,128,000
47 Year 300,000 400,000 1,128,000
48 Income Tax Rate 49 Current year 2005
50 Federal (Includes surtax) 13.12% 22.12% 22.12% 20.41%
51 Ontario 5.50% 5.50% 9.75% 13.37%
52 Blended rate 18.62% 27.62% 31.87% 33.78%
53 10.02% 27.02% 31.07% 35.70%
54 Capital Tax Rate 0.300% Input in C54
55 LCT rate 0.175% Input in C55
56 Surtax 1.12% Input in C56
Ontario Capital Tax MAX 6.055.532 Input in C57
57 Exemption * \$7.5MM 6,955,533 Imput III C57
Federal Large MAX 45 005 000 Jacob in CES
Corporations Tax 45,995,000 input in Coo
56 Exemption *
59 * Include copies of the actual tax returns - Ontario CT23, federal T2. Please see the Checklist.
61 Checklist.
62
63
55
53
53
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A	В	С	D	E	F	G	H		J	K	L	M	N	0
1 SIMPIL RRR FILING														
2 Analysis of Account 1562:		red Payments i	n lie	u of Taxes										
3 Utility Name: HALTON HILL	S HYDF	RO INC.												Version 2005.1
4 Reporting period: 2005			_	Sign Convention	on: 4	for increase;	- for	decrease						RRR # 2.1.8
5														
6			_											
7														
8 Year start:		10/1/2001		1/1/2002		1/1/2003		1/1/2004		1/1/2005		1/1/2006		
9 Year end:		12/31/2001		12/31/2002		12/31/2003		12/31/2004		12/31/2005		4/30/2006		Total
10												11	L	
Opening balance:	=	0		246,317		528,512		608,095		292,630		54,577		0
Board-approved PILs tax	+/-			THE TEST NO.										
12 proxy from Decisions (1)		246,317		899,961		1,146,278		961,540	_	847,977		276,883		4,378,956
True-up Variance	+/-			THE RESERVE										
13 Adjustment Q4, 2001 (2)				E Kill Sa								0		. 0
True-up Varlance	+/-													
14 Adjustment (3)				3,472		-149,011		-322,403		-22,843		51,331	_	-439,454
Deferral Account Variance														
15 Adjustment Q4, 2001 (4)				DESIGNATION OF THE PARTY OF THE								ALCOHOLDS		. 0
Deferral Account Variance	+/-			HEARING HOLY										
16 Adjustment (5)				43,705						-130,756		-47,812		-134,863
Adjustments to reported	+/-											The Market		
17 prior years' variances (6)			L			90,863		141,372						232,235
18 Carrying charges (7)	+/-			2,863		4,159		-4,242		11,951		-1,553		13,178
PILs collected from	100					THE RESERVE TO								
19 customers - Proxy (8)		0		-667,806		-1,012,706		-1,091,732		-944,382		-402,932		-4,119,558
20														
21 Ending balance: # 1562		246,317		528,512		608,095		292,630		54,577		-69,506		-69,506
22	1	210,011		320,012	6	300,000	£ 3	202,000	ं	0.1107.	=	00,000		

NOTE: The purpose of this worksheet is to show the movement in Account 1562 which establishes the receivable from or liability to ratepayers. 25 26 For explanation of Account 1562 please refer to Accounting Procedures Handbook for Electric Distribution Utilities and FAQ April 2003.

Please identify if Method 1, 2 or 3 was used to account for the PILs proxy and recovery. ANSWER: METHOD 3

- 28 29 (1) (i) From the Board's Decision - see Inclusion in Rates, Part III of the TAXCALC spreadsheet for Q4 2001 and 2002. Please insert the Q4, 2001 proxy in column C even though it was approved effective March 1, 2002. Per APH entries began October 1, 2001.
 - (ii) If the Board approved different amounts, input the Board-approved amounts in cells C12 and E12,
 - (iii) Column G In 2003, the initial estimate should include the Q4 2001 PILs tax proxy and the 2002 PILs tax proxy.
 - (iv) Column I The Q4 2001 PILs tax proxy was removed from rates on April 1, 2004 and the 2002 PILs tax proxy remained.
 - (v) Column K The 2002 PILs tax proxy applies to January 1 to March 31, 2005, and the new 2005 PILs tax proxy from April 1 to December 31, 2005.
 - (vi) Column M In 2006, the prorated 2005 PILs tax proxy will used for the period from January 1, 2006 to April 30, 2006.
- 32 33 34 35 36 37 38 39 40 41 42 2) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I133, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the variance in the whole year reconcilation.
 - (3) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I133, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
 - (4) From the Ministry of Finance Variance Column, under Future True-ups, Part IV b, cell I182, of the TAXCALC spreadsheet. The Q4, 2001 proxy has to be trued up in 2002, 2003 and for the period January 1- March 31, 2004. Input the deferral variance in the whole year reconciliation.
 - (5) From the Ministry of Finance Variance Column, under Future True-ups, Part IV a, cell I182, of the TAXCALC spreadsheet. The true-up will compare to the 2002 proxy for 2002, 2003, 2004 and January 1 to March 31, 2005.
 - (6) The correcting entry should be shown in the year the entry was made. The true-up of the carrying charges will have to be reviewed.
- 49 50 51 52 (7) Carrying charges are calculated on a simple interest basis.

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- 53 (8) (i) PILs collected from customers from March 1, 2002 to March 31, 2004 were based on a fixed charge and a volumetric charge recovery by class. The PILs rate 54 55 56 57 58 59 60 62 63 65 66 67 68 69 70 71 72 73 74 75 76 77 components for Q4, 2001and 2002 were calculated in the 2002 approved RAM on sheet 6 and sheet 8. In April 2004, the PILs recovery was based on the 2002 PILs tax proxy recovered by the volumetric rate by class as calculated on sheet 7 of the 2004 RAM. The 2005 PILs tax proxy is being recovered on a volumetric basis by class. Input negative number for collections.
 - (ii) Collections should equal: (a) the actual volumes/ load (kWhs, kWs, Kva) for the period (including net unbilled at period end), multiplied by the PILs volumetric proxy rates by class (from the Q4, 2001and 2002 RAM worksheets) for 2002, 2003 and January 1 to March 31, 2004; plus, (b) customer counts by class in the same period multiplied by the PILs fixed charge rate components.
 - In 2004, use the Board-approved 2002 PILs proxy, recovered on a volumetric basis by class as calculated by the 2004 RAM, sheet 7, for the period April 1 to December 31, 2004, and add this total to the results from the sentence above for January 1 to March 31, 2004.
 - In 2005, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period April 1 to December 31, 2005. To this total, the 2004 volumetric PILs proxy rate by class should be used to calculate the recovery for the period January 1 to March 31, 2005.
 - In 2006, use the Board-approved 2005 PILs proxy, recovered on a volumetric basis by class as calculated by the 2005 RAM, sheet 4, for the period January 1 to April 30, 2006.

П	Α	В	С	Б	E
1		SIMPIL RRR FILING			
2		Filing Requirements related to the SIMPIL model	Number		Version 2005.1
3		Utility Name: HALTON HILLS HYDRO INC.	of Copies		RRR # 2.1.8
4		Reporting period: 2005			
5					
6		Name of person to contact about this SIMPIL filing: ============>	STEWART I	DAVIE	SON
7		Contact Telephone Number: ==========>	519-853-370	00 EX	T 208
8		Contact Email Address: =========>	stewartd@h	altonh	illshydro.com
9					
10		Documents to be submitted to the Board when filing the Ministry of Finance Column inf	ormation:		
11		(Normally in July of the year following the reporting period)			
12					
13		Please file 2 sets of copies of the SIMPIL worksheets and 1 CD or disk			
14					
15	1)	REGINFO	2	Y	
16					
17	2)	TAXCALC	2	Y	
18					
19	3)	TAXREC	2	LY	
20					
21	4)	Tax Reserves	2	Y	
22					
23	5)	TAXREC 2	2	Y	
24					
25	6)	Tax Rates	2	Υ	
26					
27	7)	PILs 1562 Calculation	2	Υ	
28					(1) (2)
29	8)	Checklist	2	Υ	
30					
31					
	9)	Financial statements used to prepare tax returns if different from the audited financial	2	N/A	
32		statements submitted to the Board in April 2006 (See 12, 13)			
33					
34	10)	Electronic Excel format of the SIMPIL worksheets on disk or CD	1	Y	
35					
36	11)	Notices of Assessments, Re-assessments, Statement of Adjustments for:			
37		2001	1	Y	
38		2002	1	Y	
39		2003	1	Y	
40		2004	1	Y	
41		2005	1	O/S	
42					Ÿ.
43	12)	Federal T2 tax return and schedules (with dollar amounts) 2005	1	Y	
44					
45	13)	Ontario CT23 tax return and schedules 2005	1	Y	
46					
47		NOTE: These are the tax returns that were sent to the Ontario Minstry of Finance,			
48		not the NIL tax returns sent to the Canada Revenue Agency.			
49					
50					
51					
52				1	