

	A	B	C	D	E	F
1	SECTION 93 PILs PROXY TAX MARCH 1, 2002	LINE	M of F	Non-wires	Wires-only Tax Return	Source
2	MoF FILING DONE JUNE 30, 2002		Corporate	Eliminations		
3			Tax			Foot-
4	TAX RETURN RECONCILIATION (TRECQ401)		Return			note
5	(for "wires-only" business - see s. 72 OEB Act)					#
6						
7	Utility Name:					
8	Reporting period: Q4, 2001 June 30, 2002					
9						
10	Note: Carry forward Wires-only Data to					
11	Tab "TCALQ401MOF" Column K					
12						
13	I) CORPORATE INCOME TAXES					
14						
15	Revenue	1	12,500,000		12,500,000	
16	Other Income	2	300,000	(300,000)	0	
17	MARR Phased In - Year 1	3	500,000		500,000	
18	MARR Phased In - Year 2	4			0	
19	IPI-X for 2002	5			0	
20	Expenses					
21	Administration	6	(750,000)		(750,000)	
22	Distribution	7	(1,000,000)		(1,000,000)	
23	Operations and Maintenance	8	(4,562,750)		(4,562,750)	
24	Depreciation and Amortization	9	(2,000,000)		(2,000,000)	
25	Municipal Property Taxes	10	(125,000)	1,000	(124,000)	
26	Ontario Capital Tax	11	(206,357)	2,253	(204,104)	
27	Federal LCT INPUT MANUALLY****	12	(148,766)	(1,521)	(150,287)	
28						
29	Regulatory Net Income EBIT	13	4,507,127	(298,268)	4,208,859	1C
30						
31	BOOK TO TAX ADDITIONS:					
32	Depreciation & Amortization		2,000,000		2,000,000	2C
33	Federal Large Corporation Tax		148,766	1,521	150,287	3C
34	Employee benefit plans-accrued, not paid		300,000		300,000	4C
35	Change in tax reserves		1,000		1,000	5C
36	Regulatory adjustments		10,000	(1,000)	9,000	6C
37			2,459,766	521	2,460,287	
38	<i>Other additions:</i> (From T2 S1)					
39	Recapture of CCA				0	7C
40	Non-deductible expenses:				0	7C
41	Club dues and fees		1,000		1,000	7C
42	Meals and entertainment				0	7C
43	Automobile				0	7C
44	Life insurance premiums				0	7C
45	Company pension plans				0	7C
46	Advertising				0	7C
47	Interest and penalties on taxes				0	7C
48	Legal and accounting fees				0	7C
49	Debt issue expenses				0	7C
50	Capital items expensed				0	7C
51	All crown charges, royalties, rentals				0	7C
52	Deemed dividend income				0	7C
53	Deemed interest on loans to non-residents				0	7C
54	Deemed interest received				0	7C
55	Development expenses claimed				0	7C
56	Dividend stop-loss adjustments				0	7C
57	Dividends credited to investment account				0	7C
58	Investment tax credit				0	7C
59	Financing fees deducted in books				0	7C
60	Foreign accrual property income				0	7C
61	Foreign affiliate property income				0	7C

	A	B	C	D	E	F
1	SECTION 93 PILs PROXY TAX MARCH 1, 2002	LINE	M of F	Non-wires	Wires-only Tax Return	Source
2	MoF FILING DONE JUNE 30, 2002		Corporate	Eliminations		
3			Tax			Foot-
4	TAX RETURN RECONCILIATION (TRECQ401)		Return			note
5	(for "wires-only" business - see s. 72 OEB Act)					#
6						
7	Utility Name:					
62					0	7C
63	Federal reassessment amounts				0	7C
64	Gain on settlement of debt				0	7C
65	Interest paid on income debentures				0	7C
66	Gain on sale of eligible capital property				0	7C
67	Loss on disposal of assets				0	7C
68	Reserves from financial statements- end of year				0	7C
69	Holdbacks				0	7C
70	Taxable capital gains				0	7C
71	Political donations- book				0	7C
72	Charitable donations- book				0	7C
73	Capitalized interest				0	7C
74	Deferred and prepaid- beginning of year				0	7C
75	Tax reserves deducted in prior year				0	7C
76	Loss from joint ventures				0	7C
77	Loss from subsidiaries				0	7C
78	Limited partnership losses				0	7C
79	Sales tax assessments				0	7C
80	Share issue expenses				0	7C
81	Write-down of capital property				0	7C
82					0	
83	<i>Other Material Additions:</i>		10,000	(1,000)	9,000	7C
84					0	
85	<i>Total Other Additions</i>		11,000	(1,000)	10,000	7C
86						
87	Total Additions		2,470,766	(479)	2,470,287	
88						
89	BOOK TO TAX DEDUCTIONS:					
90	Capital cost allowance		(1,025,000)		(1,025,000)	8C
91	Employee benefit plans-paid amounts		(250,000)		(250,000)	9C
92	Items capitalized for regulatory purposes		(1,000)		(1,000)	10C
93	Regulatory adjustments		(1,000)	1,000	0	11C
94	Grossed up Part VI.1 tax (preferred shares)		(1,000)		(1,000)	12C
95	Interest expense incurred		(3,500,000)		(3,500,000)	13C
96			(4,778,000)	1,000	(4,777,000)	
97	<i>Other deductions: (From T2 S1)</i>					
98	Amortization of eligible capital expenditures				0	14C
99	Amortization of debt and equity issue cost				0	14C
100	Loss carryback to prior period				0	14C
101	Contributions to deferred income plans				0	14C
102	Contributions to pension plans				0	14C
103	Income from subsidiaries				0	14C
104	Income from joint ventures				0	14C
105	Gain on disposal of assets				0	14C
106	Terminal loss				0	14C
107	Cumulative eligible capital deduction				0	14C
108	Allowable business investment loss				0	14C
109	Holdbacks				0	14C
110	Deferred and prepaids- end of year				0	14C
111	Tax reserves claimed in current year				0	14C
112	Reserves from F/S- beginning of year				0	14C
113	Patronage dividends				0	14C
114	Accrued dividends- current year				0	14C
115	Bad debts				0	14C
116					0	

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1	SECTION 93 PILs PROXY TAX MARCH 1, 2002	LINE	M of F	Non-wires	Wires-only Tax Return	Source
2	MoF FILING DONE JUNE 30, 2002		Corporate	Eliminations		
3			Tax			Foot-
4	TAX RETURN RECONCILIATION (TRECQ401)		Return			note
5	(for "wires-only" business - see s. 72 OEB Act)					#
6						
7	Utility Name:					
117					0	
118	Exempt income under section 81				0	14C
119	Contributions to environmental trust				0	14C
120	Other income from financial statements				0	14C
121	Charitable donations - tax basis				0	14C
122	Gifts to Canada or a province				0	14C
123	Cultural gifts				0	14C
124	Ecological gifts				0	14C
125	Taxable dividends s. 112, 113 or ss. 138(6)				0	14C
126	Non-capital losses-preceding years				0	14C
127	Net-capital losses- preceding years				0	14C
128	Limited partnership losses- preceding years				0	14C
129	<i>Other material deductions:</i>		(10,000)	10,000	0	14C
130					0	
131					0	
132	<i>Total Other Deductions</i>		(10,000)	10,000	0	14C
133						
134	<i>Total Deductions</i>		(4,788,000)	11,000	(4,777,000)	
135						
136						
137	REGULATORY TAXABLE INCOME		2,189,893	(287,747)	1,902,146	
138						
139						
140						

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1	SECTION 93 PILs PROXY TAX MARCH 1, 2002	LINE	M of F	Non-wires	Wires-only Tax Return	Source
2	MoF FILING DONE JUNE 30, 2002		Corporate	Eliminations		
3			Tax			Foot-
4	TAX RETURN RECONCILIATION (TRECQ401)		Return			note
5	(for "wires-only" business - see s. 72 OEB Act)					#
6						
7	Utility Name:					
141						
142						
143	ONTARIO CAPITAL TAX					
144						
145	PAID-UP CAPITAL					
146						
147	Paid-up capital stock		76,000,000	(1,000,000)	75,000,000	
148	Retained earnings (if deficit, deduct)				0	
149	Capital and other surplus excluding				0	
150	appraisal surplus				0	
151	Loans and advances				0	
152	Bank loans				0	
153	Bankers acceptances				0	
154	Bonds and debentures payable		202,000,000	(2,000,000)	200,000,000	
155	Mortgages payable				0	
156	Lien notes payable				0	
157	Deferred credits				0	
158	Contingent, investment, inventory and				0	
159	similar reserves				0	
160	Other reserves not allowed as deductions				0	
161	Share of partnership(s), joint venture(s)				0	
162	paid-up capital				0	
163	Sub-total		278,000,000	(3,000,000)	275,000,000	
164	Subtract:					
165	Amounts deducted for income tax				0	
166	purposes in excess of amounts booked		(1,000)	1,000	0	
167	Deductible R&D expenditures and ONTTI				0	
168	costs deferred for income tax				0	
169					0	
170	Total (Net) Paid-up Capital		277,999,000	(2,999,000)	275,000,000	
171						
172	ELIGIBLE INVESTMENTS					
173						
174	Bonds, lien notes, interest coupons		100,000	(20,000)	80,000	
175	Mortgages due from other corporations				0	
176	Shares in other corporations				0	
177	Loans and advances to unrelated corporations				0	
178	Eligible loans and advances to related				0	
179	corporations				0	
180	Share of partnership(s) or joint venture(s)				0	
181	eligible investments				0	
182						
183	Total Eligible Investments		100,000	(20,000)	80,000	
184						
185						

	A	B	C	D	E	F
1	SECTION 93 PILs PROXY TAX MARCH 1, 2002	LINE	M of F	Non-wires	Wires-only Tax Return	Source
2	MoF FILING DONE JUNE 30, 2002		Corporate	Eliminations		
3			Tax			Foot-
4	TAX RETURN RECONCILIATION (TRECQ401)		Return			note
5	(for "wires-only" business - see s. 72 OEB Act)					#
6						
7	Utility Name:					
186						
187	TOTAL ASSETS					
188						
189	Total assets per balance sheet		278,000,000	(3,000,000)	275,000,000	
190	Mortgages or other liabilities deducted from				0	
191	assets				0	
192	Share of partnership(s)/ joint venture(s) total				0	
193	assets				0	
194	Subtract: Investment in partnership(s)/joint				0	
195	venture(s)				0	
196						
197	Total assets as adjusted		278,000,000	(3,000,000)	275,000,000	
198						
199	Add: (if deducted from assets)					
200	Contingent, investment, inventory and				0	
201	similar reserves				0	
202	Other reserves not allowed as deductions		2,000		2,000	
203	Subtract:				0	
204	Amounts deducted for income tax				0	
205	purposes in excess of amounts booked		(1,000)		(1,000)	
206	Deductible R&D expenditures and ONTTI				0	
207	costs deferred for income tax				0	
208	Subtract: Appraisal surplus if booked				0	
209	Add or subtract: Other adjustments				0	
210						
211	Total Assets		278,001,000	(3,000,000)	275,001,000	
212						
213	Investment Allowance					
214						
215	(Total Eligible Investments / Total Assets) x					
216	Net paid-up capital		99,999	(19,993)	80,000	
217						
218	Taxable Capital					
219						
220	Net paid-up capital		277,999,000	(2,999,000)	275,000,000	
221	Subtract: Investment Allowance		(99,999)	19,993	(80,006)	
222					0	
223	Taxable Capital		277,899,001	(2,979,007)	274,919,994	
224						
225	Capital Tax Calculation					
226						
227	Taxable capital		277,899,001	(2,979,007)	274,919,994	17C
228						
229	Deduction from taxable capital up to \$5,000,000		(5,000,000)	0	(5,000,000)	18C
230						
231	Net Taxable Capital		272,899,001	(2,979,007)	269,919,994	
232						
233	Rate 0.3%		0.3000%	0.3000%	0.3000%	19C
234						
235	Days in taxation year		92	92	92	
236	Divide days by 365		0.2521	0.2521	0.2521	
237						
238	Ontario Capital Tax		206,357	(2,253)	204,104	
239						

	A	B	C	D	E	F
1	SECTION 93 PILs PROXY TAX MARCH 1, 2002	LINE	M of F	Non-wires	Wires-only Tax Return	Source
2	MoF FILING DONE JUNE 30, 2002		Corporate	Eliminations		
3			Tax			Foot-
4	TAX RETURN RECONCILIATION (TRECQ401)		Return			note
5	(for "wires-only" business - see s. 72 OEB Act)					#
6						
7	Utility Name:					
240						
241						
242	LARGE CORPORATION TAX					
243						
244	CAPITAL					
245						
246	ADD:					
247	Reserves that have not been deducted in				0	
248	computing income for the year under Part I				0	
249	Capital stock		76,000,000	(1,000,000)	75,000,000	
250	Retained earnings				0	
251	Contributed surplus				0	
252	Any other surpluses				0	
253	Deferred unrealized foreign exchange gains				0	
254	All loans and advances to the corporation				0	
255	All indebtedness- bonds, debentures, notes,		202,000,000	(2,000,000)	200,000,000	
256	mortgages, bankers acceptances, or similar				0	
257	obligations				0	
258	Any dividends declared but not paid				0	
259	All other indebtedness outstanding for more				0	
260	than 365 days				0	
261						
262	Subtotal		278,000,000	(3,000,000)	275,000,000	
263						
264	DEDUCT:					
265	Deferred tax debit balance		1	(1)	0	
266	Any deficit deducted in computing		1	(1)	0	
267	shareholders' equity		1	(1)	0	
268	Any patronage dividends 135(1) deducted in		1	(1)	0	
269	computing income under Part I included in		1		1	
270	amounts above		1		1	
271	Deferred unrealized foreign exchange losses		1		1	
272						
273	Subtotal		7	(4)	3	
274						
275	Capital for the year		278,000,007	(3,000,004)	275,000,003	
276						
277	INVESTMENT ALLOWANCE					
278						
279	Shares in another corporation				0	
280	Loan or advance to another corporation				0	
281	Bond, debenture, note, mortgage, or				0	
282	similar obligation of another corporation				0	
283	Long term debt of financial institution				0	
284	Dividend receivable from another corporation				0	
285	Debts of corporate partnerships that were not				0	
286	exempt from tax under Part I.3				0	
287	Interest in a partnership				0	
288						
289	Investment Allowance		0	0	0	
290						

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1	SECTION 93 PILs PROXY TAX MARCH 1, 2002	LINE	M of F	Non-wires	Wires-only Tax Return	Source
2	MoF FILING DONE JUNE 30, 2002		Corporate	Eliminations		
3			Tax			Foot-
4	TAX RETURN RECONCILIATION (TRECQ401)		Return			note
5	(for "wires-only" business - see s. 72 OEB Act)					#
6						
7	Utility Name:					
291						
292	TAXABLE CAPITAL					
293						
294	Capital for the year		278,000,007	(3,000,004)	275,000,003	
295						
296	Deduct: Investment allowance		0	0	0	
297						
298	Taxable Capital for taxation year		278,000,007	(3,000,004)	275,000,003	20C
299						
300	Deduct: Capital Deduction \$10,000,000		(10,000,000)	0	(10,000,000)	21C
301						
302	Taxable Capital		268,000,007	(3,000,004)	265,000,003	
303						
304	Rate .225%		0.22500%	0.22500%	0.22500%	22C
305						
306	Days in year		92	92	92	
307	Divide days by 365		0.2521	0.2521	0.2521	
308						
309	Gross Part I.3 Tax LCT		151,989	(1,701)	150,288	
310						
311	Federal Surtax Rate		1.1200%	1.1200%	1.1200%	
312						
313	Federal Surtax = Taxable Income x Surtax Rate		24,527	(3,223)	21,304	
314						
315	Net Part I.3 Tax LCT Payable		127,462	1,521	128,984	
316	(If surtax is greater than Gross LCT, then zero)					
317						
318						
319						