

	A	B	C	D	E	F	G
1	<b>SECTION 93 PILs TAX GROSS-UP</b>						
2	<b>REGULATORY INFORMATION (REGINFO)</b>						
3			<b>Amount</b>		<b>Q4,2001</b>	<b>2002</b>	
4	Utility Name		<b>2001</b>		<b>25% X 2001</b>	(No IPI-X Yet)	
5	Reporting period						
6							
7	<b><u>BACKGROUND</u></b>						
8							
9	Has the utility reviewed section 149(1) ITA to						
10	confirm that it is not subject to regular corporate						
11	tax (and therefore subject to PILs)?	Y/N	Y				
12							
13	Was the utility recently acquired by Hydro One						
14	and now subject to s.89 & 90 PILs?	Y/N	N				
15							
16	Accounting Year End	Date	DEC. 31ST				
17							
18	<b>MARR NO TAX CALCULATIONS</b>						
19	<b>SHEET #7 FINAL RUD MODEL DATA</b>						
20	<b>(FROM 1999 FINANCIAL STATEMENTS)</b>						
21							
22	Rate base (wires-only)		275,000,000				
23							
24	Common Equity Ratio (CER)		40.00%				
25							
26	1-CER		60.00%				
27							
28	Target Return On Equity		9.88%				
29							
30	Debt rate		6.90%				
31							
32	Market Adjusted Revenue Requirement		22,253,000				
33							
34	1999 return from RUD Sheet 7		16,253,000		4,063,250	16,253,000	
35							
36	Total Incremental revenue		6,000,000				
37	Amount allowed in 2001		2,000,000		500,000	2,000,000	
38	Amount allowed in 2002		2,000,000			2,000,000	
39	Amount allowed in 2003		2,000,000				
40					4,563,250	20,253,000	
41	Equity		110,000,000				
42							
43	Return at target ROE		10,868,000				
44							
45	Debt		165,000,000				
46							
47	Deemed interest expense		11,385,000				
48							
49	Phase-in of interest - year 1		3,795,000		948,750		
50	Phase-in of interest - year 2		7,590,000			7,590,000	
51	Phase-in of interest - year 3		11,385,000				
52							
53							
54							