

REVENUE REQUIREMENTS AND  
REVENUE DEFICIENCY OR SUFFICIENCY

EXHIBIT 6



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1 **List of Attachments**

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- 2 Attachment 6-A: Revenue Requirement Work Form
- 3 Attachment 6-B: PILs model
- 4 Attachment 6-C: EPLC 2022 Tax Return

1 **6.1 Revenue Requirement**

2 **6.1.1 Overview**

3 The information in this Exhibit supports EPLC's request in this Application for an increase in its Revenue  
4 Requirement while continuing to support the proposed capital and operating budgets for 2025 to service  
5 debt and provide the allowed Return on Equity.

6 The following items are included in this Exhibit:

- 7 • Determination of Net Utility Income;
- 8 • Statement of Rate Base;
- 9 • Actual Utility Return on Rate Base;
- 10 • Indicated Rate of Return;
- 11 • Requested Rate of Return;
- 12 • Gross Deficiency in Revenue;

13 The methodology through which EPLC arrived at the calculated Revenue Deficiency is described herein.  
14 EPLC completed the Revenue Requirement Work Form 2025 version 1.0 ("RRWF Model") provided by the  
15 Board on April 11, 2024. The RRWF Model is provided in this Application as Attachment 6-A to this Exhibit.

16 As per the Board's Filing Requirements, the calculation of gross Revenue Sufficiency/Deficiency must  
17 isolate the delivery sufficiency/deficiency from any energy sufficiency/deficiency. As a result, EPLC's  
18 calculation does not include any recovery of deferral/variance accounts or any other electricity charge  
19 (i.e. Transmission Charges, Wholesale Market Service Charges, Commodity Charges, etc.). These charges  
20 are considered elsewhere in this Application.

21 **6.1.2 Calculation of Revenue Requirement**

22 EPLC's proposed revenue requirement consists of the following:

- 23 • Operations, Maintenance & Administration ("OM&A") Expenses;
- 24 • Property Taxes;
- 25 • Depreciation/Amortization Expense;
- 26 • PILs;
- 27 • Deemed Interest Expense;
- 28 • Return on Equity;

29 EPLC's revenue requirement is primarily received through electricity distribution rates and offset by  
30 revenue from Board approved specific service charges, late payment charges, interest, and other  
31 operating income.

1 EPLC has included the OEB’s Revenue Requirement Work Form (“RRWF”) as Attachment 6-A to this Exhibit  
 2 and has also filed the Excel model. EPLC has ensured that numbers entered in the RRWF reconcile with  
 3 the appropriate numbers in other Exhibits to this Application.

4 **6.1.3 Determination of Net Utility Income**

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5 As per Tab 5 of the RRWF Model, EPLC proposes a 2025 Test Year Net Income of \$3,074,726. Table 6-1  
 6 below outlines EPLC’s calculation.

7 **Table 6-1: Utility Net Income**

Description	2025 Test Year
<b>Operating Revenues:</b>	
Distribution Revenue	\$ 18,388,098
Other Revenue	\$ 1,106,244
<b>Total Revenue</b>	<b>\$ 19,494,342</b>
<b>Operating Expenses:</b>	
OM&A Expenses	\$ 10,356,735
Depreciation/Amortization	\$ 4,050,033
Deemed Interet Expense	\$ 1,815,791
<b>Total Cost &amp; Expenses</b>	<b>\$ 16,222,559</b>
Net Income before Income Taxes	\$ 3,271,783
Income Taxes (Grossed Up)	\$ 197,057
<b>Utility Net Income</b>	<b>\$ 3,074,726</b>

8  
9

10 **6.1.4 Statement of Rate Base**

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11 EPLC’s Rate Base is calculated on EPLC’s deemed capital structure in accordance with the Board’s Filing  
 12 Requirements, and for the 2025 Test Year is summarized in Table 6-2 below.

13 **Table 6-2: Rate Base Calculation**

Description	2025 Test Year
Opening Net Fixed Assets	\$ 74,174,061
Closing Net Fixed Assets	\$ 80,169,534
Average Net Fixed Assets	\$ 77,171,797
Working Capital Allowance	\$ 6,289,809
<b>Total Rate Base</b>	<b>\$ 83,461,606</b>

14

1 **6.2 Actual Utility Return on Rate Base**

2 A comparison of EPLC’s 2025 Test Year Actual Return on Rate Base and Expected Return on Rate  
 3 Base is shown below as Table 6-3 for both Current Approved Rates and Proposed Rates.

4 **Table 6-3: Return on Rate Base**

Description	2025 Test Year - Indicated Rate of Return	2025 Test Year - Requested Rate of Return
<b>Actual Rate Base</b>		
Rate Base	\$ 83,461,606	\$ 83,461,606
Interest Expense	\$ 1,815,791	\$ 1,815,791
Net Income	\$ 1,366,331	\$ 3,074,726
Total Actual Return on Rate Base	\$ 3,182,122	\$ 4,890,517
Weighted Average Cost of Capital	3.81%	5.86%
<b>Required Return on Rate Base</b>		
Rate Base	\$ 83,461,606	\$ 83,461,606
<i>Return Rates:</i>		
Return on Debt %	3.63%	3.63%
Return on Equity %	9.21%	9.21%
Deemed Interest Expense	\$ 1,815,791	\$ 1,815,791
Return On Equity	\$ 3,074,726	\$ 3,074,726
<b>Total Actual Return on Rate Base</b>	<b>\$ 3,074,726</b>	<b>\$ 3,074,726</b>
<b>Expected Return on Rate Base</b>	<b>5.86%</b>	<b>5.86%</b>

5  
6 **6.2.1 Indicated Rate of Return**

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7 As per Table 6-3 above, EPLC has calculated its Indicated Rate of Return of 3.31% at Currently Approved  
 8 Rates, and 5.86% at Proposed Rates.

9 **6.2.2 Requested Rate of Return**

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10 EPLC’s requested Rate of Return is 5.86 % or \$3,074,726 calculated as Deemed Interest Expense plus  
 11 Return on Equity divided by Rate Base as shown in Table 6-3 above. The requested rate of return is  
 12 calculated using the 2025 Test Year load forecast at the requested rates.

13 **6.3 Revenue Deficiency**

14 There have been no significant methodology changes to revenue deficiency/sufficiency. In addition,  
 15 EPLC’s Revenue Deficiency for the 2025 Test Year is \$2,324,346, detailed in Table 6-4 below.

16

1 **Table 6-4: Revenue Deficiency Determination**

Description	2025 Test Year at Existing Rates	2025 Test Year - Required Revenue
<b>Revenue</b>		
Revenue Deficiency		\$2,324,346
Distribution Revenue	\$16,063,796	\$16,063,796
Other Operating Revenue (Net)	\$1,106,244	\$1,106,245
<b>Total Revenue</b>	<b>\$17,170,040</b>	<b>\$19,494,342</b>
<b>Costs and Expenses</b>		
OM&A Expenses	\$10,356,735	\$10,356,735
Depreciation & Amortization	\$4,050,033	\$4,050,033
Deemed Interest	\$1,815,791	\$1,815,791
<b>Total Costs and Expenses</b>	<b>\$16,222,559</b>	<b>\$16,222,559</b>
<b>Utility Income Before Income Taxes</b>	<b>\$947,481</b>	<b>\$3,271,783</b>
Tax Adjustments	\$(2,520,502)	\$(2,520,502)
<b>Taxable Income</b>	<b>\$(1,573,021)</b>	<b>\$751,281</b>
Income Tax Rate	26.5%	26.5%
Income Tax on Taxable Income	\$(416,851)	\$199,089
Income Tax Credits		
<b>Utility Net Income</b>	<b>\$1,366,331</b>	<b>\$3,074,726</b>
<b>Utility Rate Base</b>	<b>\$83,461,606</b>	<b>\$83,461,606</b>
<b>Deemed Equity Portion of Rate Base</b>	<b>\$33,384,642</b>	<b>\$33,384,642</b>
Income/(Equity portion of Rate Base)	4.09%	9.21%
Target Return - Equity on Rate Base	9.21%	9.21%
Deficiency/Sufficiency in Return on Equity	-5.12%	-
Indicated Rate of Return	3.81%	5.86%
Requested Rate of Return on Rate Base	5.86%	5.86%
Deficiency/Sufficiency in Rate of Return	-2.05%	-
Target Return on Equity	\$3,074,726	\$3,074,726
Revenue Deficiency/(Sufficiency After Tax)	\$1,708,394	\$0
<b>Gross Revenue Deficiency/(Sufficiency) Before Tax</b>	<b>\$2,324,346</b>	

3 **6.4 Cost Drivers on Revenue Deficiency**

1 Table 6-5 below outlines contributors to the Revenue Deficiency by Revenue Requirement component.  
 2 Column A lists the 2018 OEB approved amounts, Column B lists the 2025 revenue at existing rates  
 3 shown in Table 6-4 above, allocated to each Revenue Requirement component based on the  
 4 proportions in Column A. It is EPLC’s view that Column B estimates the Revenue Requirement  
 5 components at existing rates based on the components assumed in existing rates. Column C lists the  
 6 2025 Test Year proposed components. Finally, Column D represents the difference between Column C  
 7 and Column B which provides an estimate of the Revenue Requirement components for the Revenue  
 8 Deficiency of \$2,324,346.

10 **Table 6-5: Revenue Deficiency by Revenue Requirement Component**

Description	Last Rebasings Year - 2018 - Board Approved "A"	2025 Allocation "B"	2025 Test Year "C"	Revenue Deficiency vs 2024 existing rates "D" = "C" - "B"
OM&A Expenses	\$ 7,287,493	\$ 9,645,157	\$ 10,356,735	\$ 711,578
Amortization	\$ 2,122,219	\$ 2,808,804	\$ 4,050,033	\$ 1,241,229
Return on Rate Base	\$ 3,341,565	\$ 4,422,635	\$ 4,890,516	\$ 467,881
PILs	\$ 221,683	\$ 293,403	\$ 197,089	-\$ 96,314
<b>Total</b>	<b>\$ 12,972,964</b>	<b>\$ 17,170,000</b>	<b>\$ 19,494,342</b>	<b>\$ 2,324,346</b>
	<b>2018 OEB Approved</b>		<b>2025 Test Year Proposed</b>	<b>2025 Test Year vs 2018 OEB Approved</b>
Rate Base	\$ 58,033,511		\$ 83,461,606	\$ 25,428,095

12 There are two (2) primary drivers for EPLC’s Revenue Deficiency of \$2,324,346 for the 2025 Test Year:

- 13 • OM&A costs increase by \$3,069,242 between the 2018 OEB approved amount and the 2025 Test  
 14 Year amount which is different than the increase from the same period in the amount of \$711,578  
 15 as shown in the table above. The reason for the difference is mainly attributable to an increase  
 16 in salaries, wages, and benefits. Increases in this category stem from general increases to staff  
 17 plus the proposed addition of 4 new positions to support customer experience, control room  
 18 operations and cyber security. Exhibit 4 provides significant detail regarding workforce planning  
 19 including benchmarking of EPLC staff numbers, turnover rates and succession planning initiatives.
- 20 • Amortization costs increase by \$1,927,814 between the 2018 OEB approved amount and the 2025  
 21 Test Year amount which is different than the increase from the same period in the amount of  
 22 \$1,241,299 as shown in the table above. The increase in this category is the result of additional  
 23 investments in capital projects to maintain and enhance the distribution system including in  
 24 digital technologies that attract a higher amortization rate.

25 **6.5 Payments in Lieu of Taxes (PILs)**

26 **6.5.1 PILs**



1 EPLC makes payments in lieu (PILs) of corporate taxes in accordance with the rules for computing  
 2 taxable income, taxable capital and other relevant amounts contained in the *Income Tax Act* (Canada)  
 3 and the *Corporations Tax Act* (Ontario), as modified by the Electricity Act, 1988, and related regulations.  
 4 EPLC does not pay section 89 proxy taxes, and is exempt from the payment of income taxes under the  
 5 *Income Tax Act* (Canada) and the Corporations Tax Act (Ontario). EPLC is projecting a profit for tax  
 6 purposes in the 2025 Test Year of \$555,102 and therefore has included \$197,057 for the recovery of PILs  
 7 in this Application.

8  
 9 Table 6-6 below provides a summary of the 2018 OEB Approved, the historical statutory taxes form  
 10 2018-2022, the projected statutory taxes for 2023, and the projected 2024 Bridge and 2025 Test Year  
 11 Pils forecasts for regulatory rate making purposes. The tax projections for 2024 and 2025 are based on  
 12 the federal and provincial corporate tax rates in effect when the OEB Tax/PILs model was released. A  
 13 copy of the OEB Tax/Pils model is attached here as Attachment 6-B. EPLC’s 2022 tax return has been  
 14 provided as Attachment 6-C; at the time of filing this rate application, EPLC has not filed its 2023  
 15 Corporate Income Tax Return with the Canada Revenue Agency (CRA); as a result, the information  
 16 included in the 2023 Historical year in the Income/Tax/PILs model could potentially change. Once EPLC  
 17 has filed its 2023 statutory corporate income tax return with the CRA, then EPLC will use the information  
 18 from its T2 return to update the 2023 projection, and it will make any updates to the 2024 Bridge Year  
 19 and the 2025 Test Year Income Tax/PILs model as required and incorporate those changes in an update  
 20 to the rate application during the Interrogatory phase should that prove necessary.

21  
 22 **Table 6-6: Tax/PILs Summary**

Description	2018 OEB Approved	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Projected	2024 Bridge Year	2025 Test Year
PILs	\$221,683	\$390,000	\$246,396	\$66,095	\$34,921	\$(62,531)	\$(25,477)	\$0	\$197,057

23  
 24 In Accordance with the filing requirements, EPLC has completed and submitted the Income Tax/PILs  
 25 model and the output from the Income Tax/PILs model for the 2025 Test Year has been appropriately  
 26 grossed up and included in the Revenue Requirement calculations consistent with the RRWF.

27  
 28 EPLC takes advantage of tax credits where possible and has historically been able to take advantage of  
 29 Apprenticeship and Co-op Tax Credits. In the 2025 Test Year EPLC has included a projected \$2,000 tax  
 30 credit for the Co-op Tax Credit.

31  
 32 **6.5.2 Loss Carry Forwards**

33 EPLC has loss carry forwards of \$1,728,480 projected for the 2023 projection. EPLC will utilize these in  
 34 future years to offset taxable income where possible, while continuing to adopt the Accelerated CCA  
 35 benefits during the phase out of that program.

1

2 **6.5.3 Other Additions and Deductions**

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3 In accordance with the filing requirements, EPLC has excluded the deferral and variance accounts for  
4 Regulatory Assets and Liabilities from the reserve balances for the 2024 Bridge Year and the 2025 Test  
5 Year.

6 **6.5.3 Corporate Minimum Tax**

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7 EPLC is projecting Corporate Minimum Tax in 2023 of \$43,782. Finalization of the 2023 T2 return and  
8 confirmation of this amount may result in an adjustments in the 2024 Bridge Year and the 2025 Test Year.  
9 EPLC will update these calculations as necessary during the interrogatory phase of this Application.

10 **6.5.4 Accelerated Investment Initiative for CCA**

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11 **6.5.4.1 Record Impacts of CCA Rule Changes to Account 1592**

12

13 As per the OEB's July 25, 2019 letter, the OEB expected Distributors to:

- 14
- 15 • Adopt changes introduced by Bill C-97, specifically the Accelerated Investment Incentive program,  
16 which provides for a first year increase in capital cost allowance (CCA) deductions on eligible  
17 capital assets acquired after November 20, 2018.
  - 18 • Record the full revenue requirement impact of any changes in CCA rules that are not reflected in  
19 base rates in Account 1592 – PILs and Tax Variances – CCA Changes
  - 20 • Bring forward any amounts tracked in Account 1592 – PILs and Tax Variances – CCA Changes for  
21 review and disposition in accordance with the OEB's filing requirements for the disposition of  
22 deferral and variance accounts, which would generally coincide with a distributor's next cost of  
service filing.

23 EPLC has complied with the OEB's letter dated July 25, 2019, and has recorded the full revenue  
24 requirement impact of changes in CCA rules that were not reflected in base rates. In Exhibit 9, sub  
25 section 9.5 Group 2 Account Analysis, EPLC requests disposal of the projected liability of \$1,698,140 to  
26 the end of December 2024.

27

28 The incentive currently applies an accelerated factor of 3x (ie. 150% of CCA for the in-service year, as  
29 compared to regular CCA treatment at 50% in the first year due to the half year rule) in the year a  
30 qualifying asset is capitalized. This incentive is planned to begin its phase-out beginning in the 2024 tax  
31 year when the acceleration is reduced to 2x, followed by the completion of the incentive at the end of  
32 the 2027 tax year. EPLC has estimated the impact the accelerated CCA program will have on OILs  
33 throughout the planned CoS cycle form 2025-2029 and has recorded an adjustment in T1 Sch 1 Taxable

1 Income Test of the PILs model submitted as Attachment 6-B. Table 6-7 illustrates how EPLC calculated  
 2 the adjustment to smooth the impact of CCA in the 2025 Test Year.

3

4 **Table 6-7: CCA Smoothing Adjustment**

	2025	2026	2027
Accelerated CCA	\$ 7,124,792	7,609,191	7,476,046
Unaccelerated CCA	5,972,660	6,561,357	6,562,211
additional CCA to	1,152,132	1,047,834	913,835
5 year average	622,754		
<b>Adjustment to smooth the CCA impact</b>	<b>529,378</b>		

5

6

7

8 **6.6 Other Revenue**

9 Other Revenue include late payment charges, specific service charges, miscellaneous revenue and  
 10 standard supply service administrative charges and interest. A summary of these operating revenues,  
 11 consistent with Appendix 2-H is included below in Table 6-8

12

13 **Table 6-8: Other Revenue**

14

15

USoA #	USoA Description	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge Year	2025 Test Year
4082	Retail Services Revenues	\$(16,353)	\$(24,834)	\$(27,615)	\$(25,373)	\$(24,252)	\$(23,107)		
4084	Service Transaction Requests (STR) Revenues	\$(108)	\$(155)	\$(209)	\$(237)	\$(102)	\$(100)		
4210	Rent from Electric Property	\$(117,776)	\$(141,661)	\$(149,854)	\$(157,497)	\$(161,982)	\$(265,220)	\$(150,000)	\$(155,000)
4225	Late Payment Charges	\$(185,474)	\$(207,040)	\$(172,925)	\$(215,170)	\$(207,104)	\$(201,080)	\$(210,000)	\$(210,000)
4235	Miscellaneous Service Revenues	\$(151,049)	\$(134,908)	\$(144,213)	\$(152,748)	\$(156,605)	\$(152,273)	\$(152,000)	\$(152,000)
4245	Government and Other Assistance Directly Credited to Income	\$(118,981)	\$(143,666)	\$(161,913)	\$(185,080)	\$(220,523)	\$(273,111)	\$(328,697)	\$(365,033)
4305	Regulatory Debits	\$455,491	\$1,821,963	\$607,321	\$0	\$0			
4355	Gain on Disposition of Utility and Other Property	\$(28,147)	\$0	\$(7,500)	\$(30,000)	\$(57,393)	\$(32,401)	\$(40,000)	\$(40,000)
4357	Gain from Retirement of Utility and Other Property	\$(33,181)	\$(22,551)	\$(12,154)	\$(67,473)	\$(39,352)	\$10,089	\$(35,000)	\$(35,000)
4362	Loss from Retirement of Utility and Other Property	\$57,311	\$25,847	\$32,234	\$93,761	\$56,809	\$32,753	\$45,000	\$45,000
4375	Revenues from Non Rate-Regulated Utility Operations	\$(3,232,132)	\$(2,064,344)	\$(1,828,727)	\$(1,263,390)	\$(660,917)	\$(1,979,610)	\$(554,710)	\$(520,033)
4380	Expenses of Non Rate-Regulated Utility Operations	\$2,510,650	\$1,806,871	\$1,584,172	\$797,853	\$630,623	\$2,042,659	\$498,027	\$505,404
4390	Miscellaneous Non-Operating Income	\$(35,140)	\$(37,724)	\$(32,189)	\$(242,177)	\$(10,858)	\$(153,566)	\$(30,000)	\$(30,000)
4398	Foreign Exchange Gains and Losses, Including Amortization	\$(10,928)	\$5,757	\$1,787	\$424	\$(741)	\$744	\$3,000	\$3,000
4405	Interest and Dividend Income	\$(246,168)	\$(292,990)	\$(202,749)	\$(80,937)	\$(195,061)	\$(282,790)	\$(297,384)	\$(152,582)
	<b>Miscellaneous Service Revenues</b>	<b>\$(151,049)</b>	<b>\$(134,908)</b>	<b>\$(144,213)</b>	<b>\$(152,748)</b>	<b>\$(156,605)</b>	<b>\$(152,273)</b>	<b>\$(152,000)</b>	<b>\$(152,000)</b>
	<b>Late Payment Charges</b>	<b>\$(185,474)</b>	<b>\$(207,040)</b>	<b>\$(172,925)</b>	<b>\$(215,170)</b>	<b>\$(207,104)</b>	<b>\$(201,080)</b>	<b>\$(210,000)</b>	<b>\$(210,000)</b>
	<b>Other Operating Revenues</b>	<b>\$(253,217)</b>	<b>\$(310,316)</b>	<b>\$(339,591)</b>	<b>\$(368,187)</b>	<b>\$(406,859)</b>	<b>\$(561,539)</b>	<b>\$(478,697)</b>	<b>\$(520,033)</b>
	<b>Other Income or Deductions</b>	<b>\$(562,245)</b>	<b>\$1,242,829</b>	<b>\$142,195</b>	<b>\$(791,940)</b>	<b>\$(276,890)</b>	<b>\$(362,124)</b>	<b>\$(411,067)</b>	<b>\$(224,211)</b>
	<b>Total</b>	<b>\$(1,151,985)</b>	<b>\$590,565</b>	<b>\$(514,534)</b>	<b>\$(1,528,045)</b>	<b>\$(1,047,458)</b>	<b>\$(1,277,016)</b>	<b>\$(1,251,764)</b>	<b>\$(1,106,244)</b>

16

17

18 **Miscellaneous Service Revenues** includes charges accumulated in USoA account 4235, and stem from  
 19 charges such as connection and disconnection charges, these have not fluctuated materially between  
 20 2018 and 2025. They are forecast to continue at the 2023 amount in the 2024 Bridge Year and the 2025  
 21 Test Year.

22

USoA #	USoA Description	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge Year	2025 Test Year
4235	Miscellaneous Service Revenues	\$(151,049)	\$(134,908)	\$(144,213)	\$(152,748)	\$(156,605)	\$(152,273)	\$(152,000)	\$(152,000)

Late Payment Charges include late payment charges levied on customers and accumulated in account 4225. The late payment charges have not varied materially between 2018 and 2025, with the exception of 2020, which is lower than any other years. . EPLC waived the late payment charges for customers during April- November 2020.

USoA #	USoA Description	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Bridge Year	2025 Test Year
4225	Late Payment Charges	\$(185,474)	\$(207,040)	\$(172,925)	\$(215,170)	\$(207,104)	\$(201,080)	\$(210,000)	\$(210,000)

Account 4210 – Rent from Electric Property is used to record revenues from pole attachment charges that vary with activity and the rate as published by the OEB. 2023 shows an increase in this account that is attributable to increased activity.

4210: Rent from Electric Property									
	2018 Actual <sup>P</sup>	2019 Actual <sup>P</sup>	2020 Actual <sup>P</sup>	2021 Actual <sup>P</sup>	2022 Actual <sup>P</sup>	2023 Actual	Bridge Year	Test Year	
Reporting Basis	2018	2019	2020	2021	2022	2023	2024	2025	
	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	
Joint use pole attachments	-\$ 117,776	-\$ 141,661	-\$ 149,854	-\$ 157,497	-\$ 161,982	-\$ 265,220	-\$ 150,000	-\$ 155,000	
<b>Total</b>	-\$ 117,776	-\$ 141,661	-\$ 149,854	-\$ 157,497	-\$ 161,982	-\$ 265,220	-\$ 150,000	-\$ 155,000	

Account 4245 – Government and Other Assistance Directly Credited to Income is used to record the amortization of customer contributions and is increasing as customer contributions are increasing.

4245: Government and Other Assistance Directly Credited to Income									
	2018 Actual <sup>P</sup>	2019 Actual <sup>P</sup>	2020 Actual <sup>P</sup>	2021 Actual <sup>P</sup>	2022 Actual <sup>P</sup>	2023 Actual	Bridge Year	Test Year	
Reporting Basis	2018	2019	2020	2021	2022	2023	2024	2025	
	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	
Government and other assistance	-\$ 118,981	-\$ 143,666	-\$ 161,913	-\$ 185,080	-\$ 220,523	-\$ 273,111	-\$ 328,697	-\$ 365,033	
<b>Total</b>	-\$ 118,981	-\$ 143,666	-\$ 161,913	-\$ 185,080	-\$ 220,523	-\$ 273,111	-\$ 328,697	-\$ 365,033	

Account 4305 – Regulatory Debits is used to record movement to income of the effect of accounting changes due to adoption of IFRS and no amounts have been included in this account since 2020 with the end of the associated rate rider disposition.

4305: Regulatory Debits									
	2018 Actual <sup>P</sup>	2019 Actual <sup>P</sup>	2020 Actual <sup>P</sup>	2021 Actual <sup>P</sup>	2022 Actual <sup>P</sup>	2023 Actual	Bridge Year	Test Year	
Reporting Basis	2018	2019	2020	2021	2022	2023	2024	2025	
		MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	
Regulatory debits - IFRS expense	\$ 455,491	\$ 1,821,963	\$ 607,321	\$ -	\$ -	\$ -	\$ -	\$ -	
<b>Total</b>	\$ 455,491	\$ 1,821,963	\$ 607,321	\$ -	\$ -	\$ -	\$ -	\$ -	

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3 Account 4355 – Gain on Disposition of Utility and other Property has no material variance.

4355: Gain on Disposition of Utility and Other Property									
	2018 Actual <sup>P</sup>	2019 Actual <sup>P</sup>	2020 Actual <sup>P</sup>	2021 Actual <sup>P</sup>	2022 Actual <sup>P</sup>	2023 Actual	Bridge Year	Test Year	
Reporting Basis	2018	2019	2020	2021	2022	2023	2024	2025	
		MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	
Gain on disposition of utility and other property	-\$ 28,147	\$ -	-\$ 7,500	-\$ 30,000	-\$ 57,393	-\$ 32,401	-\$ 40,000	-\$ 40,000	
<b>Total</b>	-\$ 28,147	\$ -	-\$ 7,500	-\$ 30,000	-\$ 57,393	-\$ 32,401	-\$ 40,000	-\$ 40,000	

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6 Account 4357 – Gain on Retirement of Utility and Other Property has no material variance.

4357: Gain from Retirement of Utility and Other Property									
	2018 Actual <sup>P</sup>	2019 Actual <sup>P</sup>	2020 Actual <sup>P</sup>	2021 Actual <sup>P</sup>	2022 Actual <sup>P</sup>	2023 Actual	Bridge Year	Test Year	
Reporting Basis	2018	2019	2020	2021	2022	2023	2024	2025	
		MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	
Gain (scrap) on retirement of utility and other property	-\$ 33,181	-\$ 22,551	-\$ 12,154	-\$ 67,473	-\$ 39,352	\$ 10,089	-\$ 35,000	-\$ 35,000	
<b>Total</b>	-\$ 33,181	-\$ 22,551	-\$ 12,154	-\$ 67,473	-\$ 39,352	\$ 10,089	-\$ 35,000	-\$ 35,000	

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10 Account 4362 – Loss from Retirement of Utility and Other Property has no material variance.

4362: Loss from Retirement of Utility and Other Property									
	2018 Actual <sup>P</sup>	2019 Actual <sup>P</sup>	2020 Actual <sup>P</sup>	2021 Actual <sup>P</sup>	2022 Actual <sup>P</sup>	2023 Actual	Bridge Year	Test Year	
Reporting Basis	2018	2019	2020	2021	2022	2023	2024	2025	
		MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	
Loss from retirement of utility and other property	\$ 57,311	\$ 25,847	\$ 32,234	\$ 93,761	\$ 56,809	\$ 32,753	\$ 45,000	\$ 45,000	
<b>Total</b>	\$ 57,311	\$ 25,847	\$ 32,234	\$ 93,761	\$ 56,809	\$ 32,753	\$ 45,000	\$ 45,000	

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15 Account 4375 – Revenues from Non Rate-Regulated Utility Operations is used to record streetlight and  
 16 other work for others, billing and collecting for water/sewer from several of EPLC’s municipal  
 17 communities, and revenues associated with administration of the Zero Emissions Vehicle Infrastructure  
 18 Program (ZEVIP) that EPLC ran in 2023.

4375: Revenues from Non Rate-Regulated Utility Operations									
	2018 Actual <sup>P</sup>	2019 Actual <sup>P</sup>	2020 Actual <sup>P</sup>	2021 Actual <sup>P</sup>	2022 Actual <sup>P</sup>	2023 Actual	Bridge Year	Test Year	
	2018	2019	2020	2021	2022	2023	2024	2025	
Reporting Basis	MIFRS		MIFRS		MIFRS		MIFRS		MIFRS
Solar panels revenues	\$ 359,857	\$ 365,542	\$ 392,790	\$ 25,645	\$ 25,454	\$ 24,397	\$ 23,500	\$ 23,000	
CDM program revenues	\$ 1,283,035	\$ 740,905	\$ 714,364	\$ 731,638	\$ 70,087	\$ -	\$ -	\$ -	
CDM performance incentive revenues	\$ 505,034	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Streetlight services	\$ 85,065	\$ 78,246	\$ 85,126	\$ 92,854	\$ 115,092	\$ 153,340	\$ 125,092	\$ 127,594	
Work for others revenues	\$ 267,384	\$ 199,239	\$ 76,447	\$ 9,920	\$ 58,504	\$ 166,944	\$ 76,518	\$ 39,839	
Billing and collecting for water/sewer revenues	\$ 731,757	\$ 680,412	\$ 570,000	\$ 403,333	\$ 320,000	\$ 329,600	\$ 329,600	\$ 329,600	
Zero Emission Vehicle Infrastructure Program expenses	\$ -	\$ -	\$ -	\$ -	\$ 71,780	\$ 1,305,329	\$ -	\$ -	
<b>Total</b>	<b>\$ 3,232,132</b>	<b>\$ 2,064,344</b>	<b>\$ 1,828,727</b>	<b>\$ 1,263,390</b>	<b>\$ 660,917</b>	<b>\$ 1,979,610</b>	<b>\$ 554,710</b>	<b>\$ 520,033</b>	

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Account 4380 – Expenses to Non Rate-Regulated Utility Operations is used to record the expenses associated to earning the revenues in Account 4375 above.

4380: Expenses of Non Rate-Regulated Utility Operations									
	2018 Actual <sup>P</sup>	2019 Actual <sup>P</sup>	2020 Actual <sup>P</sup>	2021 Actual <sup>P</sup>	2022 Actual <sup>P</sup>	2023 Actual	Bridge Year	Test Year	
	2018	2019	2020	2021	2022	2023	2024	2025	
Reporting Basis	MIFRS		MIFRS		MIFRS		MIFRS		MIFRS
Solar panels expenses	\$ 119,880	\$ 179,941	\$ 181,084	\$ 410,799	\$ 12,422	\$ 12,458	\$ 14,625	\$ 14,627	
CDM program expenses	\$ 1,283,034	\$ 740,905	\$ 714,364	\$ 731,638	\$ 70,087	\$ -	\$ -	\$ -	
Streetlight services	\$ 149,959	\$ 72,260	\$ 78,313	\$ 85,188	\$ 105,589	\$ 140,679	\$ 113,834	\$ 116,111	
Work for others expenses	\$ 244,747	\$ 191,534	\$ 91,711	\$ 24,793	\$ 64,763	\$ 273,287	\$ 69,632	\$ 45,066	
Billing and collecting for water/sewer expenses	\$ 679,819	\$ 621,831	\$ 518,700	\$ 367,033	\$ 291,200	\$ 299,936	\$ 299,936	\$ 329,600	
OEB filing and other costs not approved in rates	\$ 33,211	\$ 400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Zero Emission Vehicle Infrastructure Program revenues	\$ -	\$ -	\$ -	\$ -	\$ 86,562	\$ 1,316,299	\$ -	\$ -	
<b>Total</b>	<b>\$ 2,510,650</b>	<b>\$ 1,806,871</b>	<b>\$ 1,584,172</b>	<b>\$ 797,853</b>	<b>\$ 630,623</b>	<b>\$ 2,042,659</b>	<b>\$ 498,027</b>	<b>\$ 505,404</b>	

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Account 4390 – Miscellaneous Non-Operating Income is used to record sundry revenues that may occur on an infrequent or one-time basis. In 2021, EPLC undertook a cleanup of very old customer credit balances that resulted in increased income in that year. In 2023, EPLC corrected an over-accrued liability related to a CDM program that impacted income in that year.

4390: Miscellaneous Non-Operating Income									
	2018 Actual <sup>P</sup>	2019 Actual <sup>P</sup>	2020 Actual <sup>P</sup>	2021 Actual <sup>P</sup>	2022 Actual <sup>P</sup>	2023 Actual	Bridge Year	Test Year	
	2018	2019	2020	2021	2022	2023	2024	2025	
Reporting Basis	MIFRS		MIFRS		MIFRS		MIFRS		MIFRS
Miscellaneous income	\$ 35,140	\$ 37,724	\$ 32,189	\$ 242,177	\$ 10,858	\$ 153,566	\$ 30,000	\$ 30,000	
<b>Total</b>	<b>\$ 35,140</b>	<b>\$ 37,724</b>	<b>\$ 32,189</b>	<b>\$ 242,177</b>	<b>\$ 10,858</b>	<b>\$ 153,566</b>	<b>\$ 30,000</b>	<b>\$ 30,000</b>	

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Account 4398 – Foreign Exchange Gains and Losses, Including Amortization has no material variance.

4398: Foreign Exchange Gains and Losses, Including Amortization									
	2018 Actual <sup>P</sup>	2019 Actual <sup>P</sup>	2020 Actual <sup>P</sup>	2021 Actual <sup>P</sup>	2022 Actual <sup>P</sup>	2023 Actual	Bridge Year	Test Year	
	2018	2019	2020	2021	2022	2023	2024	2025	
Reporting Basis	MIFRS		MIFRS		MIFRS		MIFRS		MIFRS
Foreign exchange gains and losses	\$ 10,928	\$ 5,757	\$ 1,787	\$ 424	\$ 741	\$ 744	\$ 3,000	\$ 3,000	
<b>Total</b>	<b>\$ 10,928</b>	<b>\$ 5,757</b>	<b>\$ 1,787</b>	<b>\$ 424</b>	<b>\$ 741</b>	<b>\$ 744</b>	<b>\$ 3,000</b>	<b>\$ 3,000</b>	

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Account 4405 – Interest and Dividend Income is used to record interest income and carrying charges on regulatory balances. These amount fluctuate depending on the principal amounts of regulatory balances and due to interest rate fluctuations.



4405: Interest and Dividend Income									
	2018 Actual <sup>P</sup>	2019 Actual <sup>P</sup>	2020 Actual <sup>P</sup>	2021 Actual <sup>P</sup>	2022 Actual <sup>P</sup>	2023 Actual	Bridge Year	Test Year	
Reporting Basis	2018	2019	2020	2021	2022	2023	2024	2025	
		MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
Interest/dividend income	-\$ 42,913	-\$ 33,479	-\$ 20,537	-\$ 10,226	-\$ 17,332	-\$ 31,505	-\$ 20,000	-\$ 20,000	
Carrying charges on regulatory balances	-\$ 203,255	-\$ 259,511	-\$ 182,212	-\$ 70,711	-\$ 177,729	-\$ 251,285	-\$ 277,384	-\$ 132,582	
<b>Total</b>	-\$ 246,168	-\$ 292,990	-\$ 202,749	-\$ 80,937	-\$ 195,061	-\$ 282,790	-\$ 297,384	-\$ 152,582	

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# ATTACHMENTS



Attachment 6-A  
Revenue Requirement Workform



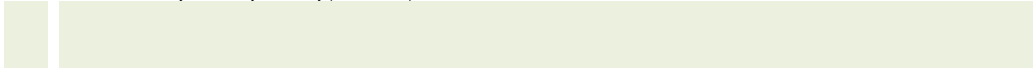
# Revenue Requirement Workform (RRWF) for 2025 Filers

**Revenue Deficiency/Sufficiency**

Line No.	Particulars	Initial Application		Interrogatory Responses		Settlement Agreement		Per Board Decision	
		At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates	At Current Approved Rates	At Proposed Rates
1	Revenue Deficiency from Below		\$2,324,346		(\$2,254,459)		\$19,601,045		\$19,601,045
2	Distribution Revenue	\$16,063,796	\$16,065,783	\$16,063,796	\$20,644,588	\$ -	(\$19,601,045)	\$ -	(\$19,601,045)
3	Other Operating Revenue	\$1,106,244	\$1,106,244	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Offsets - net								
4	<b>Total Revenue</b>	<b>\$17,170,040</b>	<b>\$19,496,373</b>	<b>\$16,063,796</b>	<b>\$18,390,129</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
5	Operating Expenses	\$14,406,768	\$14,406,768	\$14,406,768	\$14,406,768	\$14,406,768	\$14,406,768	\$14,406,768	\$14,406,768
6	Deemed Interest Expense	\$1,815,791	\$1,815,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	<b>Total Cost and Expenses</b>	<b>\$16,222,559</b>	<b>\$16,222,559</b>	<b>\$14,406,768</b>	<b>\$14,406,768</b>	<b>\$14,406,768</b>	<b>\$14,406,768</b>	<b>\$14,406,768</b>	<b>\$14,406,768</b>
9	<b>Utility Income Before Income Taxes</b>	<b>\$947,481</b>	<b>\$3,273,814</b>	<b>\$1,657,028</b>	<b>\$3,983,361</b>	<b>(\$14,406,768)</b>	<b>(\$14,406,768)</b>	<b>(\$14,406,768)</b>	<b>(\$14,406,768)</b>
10	Tax Adjustments to Accounting Income per 2013 PILs model	(\$2,520,527)	(\$2,520,527)	(\$2,520,527)	(\$2,520,527)	\$ -	\$ -	\$ -	\$ -
11	<b>Taxable Income</b>	<b>(\$1,573,046)</b>	<b>\$753,287</b>	<b>(\$863,499)</b>	<b>\$1,462,834</b>	<b>(\$14,406,768)</b>	<b>(\$14,406,768)</b>	<b>(\$14,406,768)</b>	<b>(\$14,406,768)</b>
12	Income Tax Rate	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
13	<b>Income Tax on Taxable Income</b>	<b>(\$418,851)</b>	<b>\$199,621</b>	<b>\$ -</b>	<b>\$387,651</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
14	<b>Income Tax Credits</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
15	<b>Utility Net Income</b>	<b>\$1,366,331</b>	<b>\$3,074,726</b>	<b>\$1,657,028</b>	<b>(\$14,605,857)</b>	<b>(\$14,406,768)</b>	<b>(\$14,605,857)</b>	<b>(\$14,406,768)</b>	<b>(\$14,605,857)</b>
16	<b>Utility Rate Base</b>	<b>\$83,461,606</b>	<b>\$83,461,606</b>	<b>\$77,171,797</b>	<b>\$77,171,797</b>	<b>\$77,171,797</b>	<b>\$77,171,797</b>	<b>\$77,171,797</b>	<b>\$77,171,797</b>
17	Deemed Equity Portion of Rate Base	\$33,384,642	\$33,384,642	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
18	Income/(Equity Portion of Rate Base)	4.09%	9.21%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	Target Return - Equity on Rate Base	9.21%	9.21%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	Deficiency/Sufficiency in Return on Equity	-5.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
21	Indicated Rate of Return	3.81%	5.86%	2.15%	0.00%	-18.67%	0.00%	-18.67%	0.00%
22	Requested Rate of Return on Rate Base	5.86%	5.86%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23	Deficiency/Sufficiency in Rate of Return	-2.05%	0.00%	2.15%	0.00%	-18.67%	0.00%	-18.67%	0.00%
24	Target Return on Equity	\$3,074,726	\$3,074,726	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
25	Revenue Deficiency/(Sufficiency)	\$1,708,394	\$ -	(\$1,657,028)	\$ -	\$14,406,768	\$ -	\$14,406,768	\$ -
26	<b>Gross Revenue Deficiency/(Sufficiency)</b>	<b>\$2,324,346 <sup>(1)</sup></b>		<b>(\$2,254,459) <sup>(1)</sup></b>		<b>\$19,601,045 <sup>(1)</sup></b>		<b>\$19,601,045 <sup>(1)</sup></b>	

**Notes:**

<sup>(1)</sup> Revenue Deficiency/Sufficiency divided by (1 - Tax Rate)





# Revenue Requirement Workform (RRWF) for 2025 Filers

Data Input Sheet <sup>(1)</sup>

	Initial Application <sup>(2)</sup>	Adjustments	Interrogatory Responses <sup>(6)</sup>	Adjustments	Settlement Agreement <sup>(6)</sup>	Adjustments	Per Board Decision
<b>1 Rate Base</b>							
Gross Fixed Assets (average)	\$ 130,756,206	\$ -	\$ 130,756,206		\$ 130,756,206		\$ 130,756,206
Accumulated Depreciation (average)	(\$53,584,409) <sup>(6)</sup>	\$ -	\$ (53,584,409)		\$ (53,584,409)		\$ (53,584,409)
<b>Allowance for Working Capital:</b>							
Controllable Expenses	\$10,356,735	\$ -	\$ 10,356,735		\$ 10,356,735		\$ 10,356,735
Cost of Power	\$73,507,386	\$ -	\$ 73,507,386		\$ 73,507,386		\$ 73,507,386
Working Capital Rate (%)	7.50% <sup>(9)</sup>						
<b>2 Utility Income</b>							
<b>Operating Revenues:</b>							
Distribution Revenue at Current Rates	\$16,063,796						
Distribution Revenue at Proposed Rate:	\$18,390,129						
<b>Other Revenue:</b>							
Specific Service Charges	\$152,000						
Late Payment Charges	\$210,000						
Other Distribution Revenue	\$520,033						
Other Income and Deductions	\$224,211						
Total Revenue Offsets	\$1,106,244 <sup>(7)</sup>						
<b>Operating Expenses:</b>							
OM+A Expenses	\$10,312,735	\$ -	\$ 10,312,735		\$10,312,735		\$ 10,312,735
Depreciation/Amortization	\$4,050,033	\$ -	\$ 4,050,033		\$4,050,033		\$ 4,050,033
Property taxes	\$44,000	\$ -	\$ 44,000		\$44,000		\$ 44,000
Other expenses		\$ -					
<b>3 Taxes/PILs</b>							
<b>Taxable Income:</b>							
Adjustments required to arrive at taxable income	(\$2,520,527) <sup>(3)</sup>						
<b>Utility Income Taxes and Rates:</b>							
Income taxes (not grossed up)	\$146,330						
Income taxes (grossed up)	\$199,088						
Federal tax (%)	15.00%						
Provincial tax (%)	11.50%						
<b>Income Tax Credits</b>							
<b>4 Capitalization/Cost of Capital</b>							
<b>Capital Structure:</b>							
Long-term debt Capitalization Ratio (%)	56.0%						
Short-term debt Capitalization Ratio (%)	4.0% <sup>(8)</sup>						
Common Equity Capitalization Ratio (%)	40.0%						
Preferred Shares Capitalization Ratio (%)	0.0%						
	100.0%						
<b>Cost of Capital</b>							
Long-term debt Cost Rate (%)	3.44%						
Short-term debt Cost Rate (%)	6.23%						
Common Equity Cost Rate (%)	9.21%						
Preferred Shares Cost Rate (%)	0.00%						

Notes:

- General** Data inputs are required on Sheets 3. Data from Sheet 3 will automatically complete calculations on sheets 4 through 9 (Rate Base through Revenue Requirement). Sheets 4 through 9 do not require any inputs except for notes that the Applicant may wish to enter to support the results. Pale green cells are available on sheets 4 through 9 to enter both footnotes beside key cells and the related text for the notes at the bottom of each sheet.
- (1) Some Applicants may have a unique rate as a result of a lead-lag study. The default rate for cost of service applications is 7.5%, per the letter issued by the Board on June 3, 2015.
- (2) Data in column E is for Application as originally filed. For updated revenue requirement as a result of interrogatory responses, technical or settlement conferences, etc., use column M and Adjustments in column I
- (3) Net of addbacks and deductions to arrive at taxable income.
- (4) Average of Gross Fixed Assets at beginning and end of the Test Year
- (5) Average of Accumulated Depreciation at the beginning and end of the Test Year. Enter as a negative amount.
- (6) Select option from drop-down list by clicking on cell M12 or U12. This column allows for the application update reflecting the end of discovery or Argument-in-Chief. Also, the outcome of any Settlement Process can be reflected. Beginning for 2023 two intermediate stages can be shown (e.g., Interrogatory Responses and Settlement Agreement).
- (7) Input total revenue offsets for deriving the base revenue requirement from the service revenue requirement
- (8) **4.0%** unless an Applicant has proposed or been approved another amount.
- (9) The default Working Capital Allowance factor is **7.5%** (of Cost of Power plus controllable expenses), per the letter issued by the Board on June 3, 2015. Alternatively, a WCA factor based on lead-lag study with supporting rationale could be provided.



# Revenue Requirement Workform (RRWF) for 2025 Filers

## Rate Base and Working Capital

Line No.	Particulars	Initial Application	Adjustments	Interrogatory Responses	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
1	Gross Fixed Assets (average) <sup>(2)</sup>	\$130,756,206	\$ -	\$130,756,206	\$ -	\$130,756,206	\$ -	\$130,756,206
2	Accumulated Depreciation (average) <sup>(2)</sup>	(\$53,584,409)	\$ -	(\$53,584,409)	\$ -	(\$53,584,409)	\$ -	(\$53,584,409)
3	Net Fixed Assets (average) <sup>(2)</sup>	\$77,171,797	\$ -	\$77,171,797	\$ -	\$77,171,797	\$ -	\$77,171,797
4	Allowance for Working Capital <sup>(1)</sup>	\$6,289,809	(\$6,289,809)	\$ -	\$ -	\$ -	\$ -	\$ -
5	<b>Total Rate Base</b>	<b>\$83,461,606</b>	<b>(\$6,289,809)</b>	<b>\$77,171,797</b>	<b>\$ -</b>	<b>\$77,171,797</b>	<b>\$ -</b>	<b>\$77,171,797</b>

### (1) Allowance for Working Capital - Derivation

6	Controllable Expenses	\$10,356,735	\$ -	\$10,356,735	\$ -	\$10,356,735	\$ -	\$10,356,735
7	Cost of Power	\$73,507,386	\$ -	\$73,507,386	\$ -	\$73,507,386	\$ -	\$73,507,386
8	Working Capital Base	\$83,864,121	\$ -	\$83,864,121	\$ -	\$83,864,121	\$ -	\$83,864,121
9	Working Capital Rate % <sup>(1)</sup>	7.50%	-7.50%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Working Capital Allowance	\$6,289,809	(\$6,289,809)	\$ -	\$ -	\$ -	\$ -	\$ -

#### Notes

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

# Revenue Requirement Workform (RRWF) for 2025 Filers

**Utility Income**

Line No.	Particulars	Initial Application	Adjustments	Interrogatory Responses	Adjustments	Settlement Agreement	Adjustments	Per Board Decision
<b>Operating Revenues:</b>								
1	Distribution Revenue (at Proposed Rates)	\$18,390,129	(\$18,390,129)	\$ -	\$ -	\$ -	\$ -	\$ -
2	Other Revenue <sup>(1)</sup>	\$1,106,244	(\$1,106,244)	\$ -	\$ -	\$ -	\$ -	\$ -
3	<b>Total Operating Revenues</b>	<b>\$19,496,373</b>	<b>(\$19,496,373)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Operating Expenses:</b>								
4	OM+A Expenses	\$10,312,735	\$ -	\$10,312,735	\$ -	\$10,312,735	\$ -	\$10,312,735
5	Depreciation/Amortization	\$4,050,033	\$ -	\$4,050,033	\$ -	\$4,050,033	\$ -	\$4,050,033
6	Property taxes	\$44,000	\$ -	\$44,000	\$ -	\$44,000	\$ -	\$44,000
7	Capital taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
8	Other expense	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9	<b>Subtotal (lines 4 to 8)</b>	<b>\$14,406,768</b>	<b>\$ -</b>	<b>\$14,406,768</b>	<b>\$ -</b>	<b>\$14,406,768</b>	<b>\$ -</b>	<b>\$14,406,768</b>
10	Deemed Interest Expense	\$1,815,791	(\$1,815,791)	\$ -	\$ -	\$ -	\$ -	\$ -
11	<b>Total Expenses (lines 9 to 10)</b>	<b>\$16,222,559</b>	<b>(\$1,815,791)</b>	<b>\$14,406,768</b>	<b>\$ -</b>	<b>\$14,406,768</b>	<b>\$ -</b>	<b>\$14,406,768</b>
12	<b>Utility income before income taxes</b>	<b>\$3,273,814</b>	<b>(\$17,680,582)</b>	<b>(\$14,406,768)</b>	<b>\$ -</b>	<b>(\$14,406,768)</b>	<b>\$ -</b>	<b>(\$14,406,768)</b>
13	Income taxes (grossed-up)	\$199,088	\$ -	\$199,088	\$ -	\$199,088	\$ -	\$199,088
14	<b>Utility net income</b>	<b>\$3,074,726</b>	<b>(\$17,680,582)</b>	<b>(\$14,605,857)</b>	<b>\$ -</b>	<b>(\$14,605,857)</b>	<b>\$ -</b>	<b>(\$14,605,857)</b>

**Notes**
**Other Revenues / Revenue Offsets**

(1)	Specific Service Charges	\$152,000		\$ -		\$ -		\$ -
	Late Payment Charges	\$210,000		\$ -		\$ -		\$ -
	Other Distribution Revenue	\$520,033		\$ -		\$ -		\$ -
	Other Income and Deductions	\$224,211		\$ -		\$ -		\$ -
	<b>Total Revenue Offsets</b>	<b>\$1,106,244</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



# Revenue Requirement Workform (RRWF) for 2025 Filers

**Taxes/PILs**

Line No.	Particulars	Application	Interrogatory Responses	Settlement Agreement	Per Board Decision
<b><u>Determination of Taxable Income</u></b>					
1	Utility net income before taxes	\$3,074,726	\$ -	\$ -	\$ -
2	Adjustments required to arrive at taxable utility income	(\$2,520,527)	\$ -	\$ -	\$ -
3	Taxable income	<u>\$554,199</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b><u>Calculation of Utility income Taxes</u></b>					
4	Income taxes	<u>\$146,330</u>	<u>\$146,330</u>	<u>\$146,330</u>	<u>\$146,330</u>
6	Total taxes	<u>\$146,330</u>	<u>\$146,330</u>	<u>\$146,330</u>	<u>\$146,330</u>
7	Gross-up of Income Taxes	<u>\$52,758</u>	<u>\$52,758</u>	<u>\$52,758</u>	<u>\$52,758</u>
8	Grossed-up Income Taxes	<u>\$199,088</u>	<u>\$199,088</u>	<u>\$199,088</u>	<u>\$199,088</u>
9	PILs / tax Allowance (Grossed-up Income taxes + Capital taxes)	<u>\$199,088</u>	<u>\$199,088</u>	<u>\$199,088</u>	<u>\$199,088</u>
10	Other tax Credits	\$ -	\$ -	\$ -	\$ -
<b><u>Tax Rates</u></b>					
11	Federal tax (%)	15.00%	15.00%	15.00%	15.00%
12	Provincial tax (%)	<u>11.50%</u>	<u>11.50%</u>	<u>11.50%</u>	<u>11.50%</u>
13	Total tax rate (%)	<u>26.50%</u>	<u>26.50%</u>	<u>26.50%</u>	<u>26.50%</u>

**Notes**

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# Revenue Requirement Workform (RRWF) for 2025 Filers

## Capitalization/Cost of Capital

Line No.	Particulars	Capitalization Ratio		Cost Rate	Return
<b>Initial Application</b>					
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
1	Long-term Debt	56.00%	\$46,738,499	3.44%	\$1,607,804
2	Short-term Debt	4.00%	\$3,338,464	6.23%	\$207,986
3	<b>Total Debt</b>	<b>60.00%</b>	<b>\$50,076,964</b>	<b>3.63%</b>	<b>\$1,815,791</b>
	<b>Equity</b>				
4	Common Equity	40.00%	\$33,384,642	9.21%	\$3,074,726
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	<b>Total Equity</b>	<b>40.00%</b>	<b>\$33,384,642</b>	<b>9.21%</b>	<b>\$3,074,726</b>
7	<b>Total</b>	<b>100.00%</b>	<b>\$83,461,606</b>	<b>5.86%</b>	<b>\$4,890,516</b>
<b>Interrogatory Responses</b>					
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
1	Long-term Debt	0.00%	\$ -	0.00%	\$ -
2	Short-term Debt	0.00%	\$ -	0.00%	\$ -
3	<b>Total Debt</b>	<b>0.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>
	<b>Equity</b>				
4	Common Equity	0.00%	\$ -	0.00%	\$ -
5	Preferred Shares	0.00%	\$ -	0.00%	\$ -
6	<b>Total Equity</b>	<b>0.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>
7	<b>Total</b>	<b>0.00%</b>	<b>\$77,171,797</b>	<b>0.00%</b>	<b>\$ -</b>
<b>Settlement Agreement</b>					
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
8	Long-term Debt	0.00%	\$ -	3.44%	\$ -
9	Short-term Debt	0.00%	\$ -	6.23%	\$ -
10	<b>Total Debt</b>	<b>0.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>
	<b>Equity</b>				
11	Common Equity	0.00%	\$ -	9.21%	\$ -
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	<b>Total Equity</b>	<b>0.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>
14	<b>Total</b>	<b>0.00%</b>	<b>\$77,171,797</b>	<b>0.00%</b>	<b>\$ -</b>
<b>Per Board Decision</b>					
		(%)	(\$)	(%)	(\$)
	<b>Debt</b>				
8	Long-term Debt	0.00%	\$ -	3.44%	\$ -
9	Short-term Debt	0.00%	\$ -	6.23%	\$ -
10	<b>Total Debt</b>	<b>0.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>
	<b>Equity</b>				
11	Common Equity	0.00%	\$ -	9.21%	\$ -
12	Preferred Shares	0.00%	\$ -	0.00%	\$ -
13	<b>Total Equity</b>	<b>0.00%</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>
14	<b>Total</b>	<b>0.00%</b>	<b>\$77,171,797</b>	<b>0.00%</b>	<b>\$ -</b>

**Notes**



# Revenue Requirement Workform (RRWF) for 2025 Filers

## Revenue Requirement

Line No.	Particulars	Application	Interrogatory Responses	Settlement Agreement	Per Board Decision
1	OM&A Expenses	\$10,312,735	\$10,312,735	\$10,312,735	\$10,312,735
2	Amortization/Depreciation	\$4,050,033	\$4,050,033	\$4,050,033	\$4,050,033
3	Property Taxes	\$44,000	\$44,000	\$44,000	\$44,000
5	Income Taxes (Grossed up)	\$199,088	\$199,088	\$199,088	\$199,088
6	Other Expenses	\$ -	\$ -	\$ -	\$ -
7	Return				
	Deemed Interest Expense	\$1,815,791	\$ -	\$ -	\$ -
	Return on Deemed Equity	\$3,074,726	\$ -	\$ -	\$ -
8	<b>Service Revenue Requirement (before Revenues)</b>	<u>\$19,496,373</u>	<u>\$14,605,857</u>	<u>\$14,605,857</u>	<u>\$14,605,857</u>
9	Revenue Offsets	\$1,106,244	\$ -	\$ -	\$ -
10	<b>Base Revenue Requirement (excluding Transformer Ownership Allowance credit adjustment)</b>	<u>\$18,390,129</u>	<u>\$14,605,857</u>	<u>\$14,605,857</u>	<u>\$14,605,857</u>
11	Distribution revenue	\$18,390,129	\$ -	\$ -	\$ -
12	Other revenue	\$1,106,244	\$ -	\$ -	\$ -
13	<b>Total revenue</b>	<u>\$19,496,373</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
14	<b>Difference (Total Revenue Less Distribution Revenue Requirement before Revenues)</b>	<u>\$ -</u>	<u>(\$14,605,857)</u>	<u>(\$14,605,857)</u>	<u>(\$14,605,857)</u>

Summary Table of Revenue Requirement and Revenue Deficiency/Sufficiency

	Application	Interrogatory Responses	Δ% <sup>(2)</sup>	Settlement Agreement	Δ% <sup>(2)</sup>	Per Board Decision	Δ% <sup>(2)</sup>
<b>Service Revenue Requirement</b>	\$19,496,373	\$14,605,857	###	\$14,605,857	(25.08%)	\$14,605,857	(25.08%)
<b>Grossed-Up Revenue Deficiency/(Sufficiency)</b>	\$2,324,346	(\$2,254,459)	###	\$19,601,045	743.29%	\$19,601,045	743.29%
<b>Base Revenue Requirement (to be recovered from Distribution Rates)</b>	\$18,390,129	\$14,605,857	###	\$14,605,857	(20.58%)	\$14,605,857	(20.58%)
<b>Revenue Deficiency/(Sufficiency) Associated with Base Revenue Requirement</b>	\$2,326,333	\$ -	###	\$ -	#####	\$ -	(100.00%)

**Notes**

<sup>(1)</sup> Line 11 - Line 8

<sup>(2)</sup> Percentage Change Relative to Initial Application



# Revenue Requirement Workform (RRWF) for 2025 Filers

## Load Forecast Summary

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

The information to be input is inclusive of any adjustments to kWh and kW to reflect the impacts of CDM programs up to and including CDM programs planned to be executed in the test year. i.e., the load forecast adjustments determined in **Appendix 2-1** should be incorporated into the entries. The inputs should correspond with the summary of the Load Forecast for the Test Year in **Appendix 2-1B** and in Exhibit 3 of the application.

**Appendix 2-1B** is still required to be filled out, as it also provides a year-over-year variance analysis of demand growth and trends from historical actuals to the Bridge and Test Year forecasts.

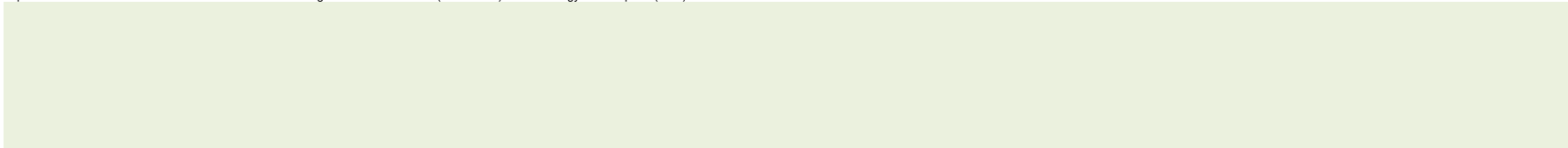
Stage in Process:

Initial Application

	Customer Class Input the name of each customer class.	Initial Application			Interrogatory Responses			Settlement Agreement			Per Board Decision		
		Customer / Connections Test Year average or mid-year	kWh Annual	kW/kVA <sup>(1)</sup> Annual	Customer / Connections Test Year average or mid-year	kWh Annual	kW/kVA <sup>(1)</sup> Annual	Customer / Connections Test Year average or mid-year	kWh Annual	kW/kVA <sup>(1)</sup> Annual	Customer / Connections Test Year average or mid-year	kWh Annual	kW/kVA <sup>(1)</sup> Annual
1	Residential	29,454	284,634,106										
2	GS<50	2,098	70,835,308										
3	GS>50	235	197,879,033	698,414									
4	Embedded Distributor	4	34,244,754	90,871									
5	Street Light	2,828	2,433,601	7,372									
6	Sentinel Light	216	262,328	716									
7	USL	123	1,383,562										
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20													
<b>Total</b>			<b>591,672,692</b>	<b>797,374</b>									

Notes:

<sup>(1)</sup> Input kW or kVA for those customer classes for which billing is based on demand (kW or kVA) versus energy consumption (kWh)





# Revenue Requirement Workform (RRWF) for 2025 Filers

## Cost Allocation and Rate Design

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

Stage in Application Process: *Initial Application*

### A) Allocated Costs

Name of Customer Class <sup>(3)</sup>	Costs Allocated from Previous Study <sup>(1)</sup>	%	Allocated Class Revenue Requirement <sup>(1)</sup> <b>(7A)</b>	%
<i>From Sheet 10. Load Forecast</i>				
1 Residential	\$ 9,625,174	74.19%	\$ 14,684,864	75.33%
2 GS<50	\$ 1,467,052	11.31%	\$ 2,078,387	10.66%
3 GS>50	\$ 1,555,011	11.99%	\$ 2,201,558	11.29%
4 Embedded Distributor	\$ 98,708	0.76%	\$ 117,414	0.60%
5 Street Light	\$ 155,290	1.20%	\$ 305,066	1.56%
6 Sentinel Light	\$ 21,704	0.17%	\$ 56,492	0.29%
7 USL	\$ 50,024	0.39%	\$ 50,560	0.26%
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				

20					
<b>Total</b>	\$	12,972,963	100.00%	\$	19,494,341
		<b>Service Revenue Requirement (from Sheet 9)</b>		\$	<b>19,496,373.00</b>

- (1) Class Allocated Revenue Requirement, from Sheet O-1, Revenue to Cost || RR, row 40, from the Cost Allocation Study in this application. This excludes costs in deferral and variance accounts. For Embedded Distributors, Account 4750 - Low Voltage (LV) Costs are also excluded.
- (2) Host Distributors - Provide information on any embedded distributor(s) as a separate class, if applicable. If embedded distributors are billed in a General Service class, include the allocated costs and revenues of the embedded distributor(s) in the applicable class, and also complete Appendix 2-Q.
- (3) Customer Classes - If these differ from those in place in the previous cost allocation study, modify the customer classes to match the proposal in the current application as closely as possible.

**B) Calculated Class Revenues**

Name of Customer Class	Load Forecast (LF) X	LF X current	LF X Proposed Rates	Miscellaneous
	current approved rates	approved rates X		Revenues
	(7B)	(1+d) (7C)	(7D)	(7E)
1 Residential	\$ 10,992,335	\$ 12,582,836	\$ 12,956,334	\$ 883,263
2 GS<50	\$ 2,075,034	\$ 2,375,274	\$ 2,375,274	\$ 117,225
3 GS>50	\$ 2,549,448	\$ 2,918,333	\$ 2,555,629	\$ 86,240
4 Embedded Distributor	\$ 161,603	\$ 184,986	\$ 140,322	\$ 575
5 Street Light	\$ 208,082	\$ 238,189	\$ 273,941	\$ 13,566
6 Sentinel Light	\$ 17,145	\$ 19,626	\$ 28,182	\$ 3,118
7 USL	\$ 60,149	\$ 68,852	\$ 58,415	\$ 2,257
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
<b>Total</b>	\$ 16,063,796	\$ 18,388,097	\$ 18,388,097	\$ 1,106,244

- (4) In columns 7B to 7D, LF means Load Forecast of Annual Billing Quantities (i.e., customers or connections, as applicable X 12 months, and kWh, kW or kVA as applicable. Revenue quantities should be net of the Transformer Ownership Allowance for applicable customer classes. Exclude revenues from rate adders and rate riders.
- (5) Columns 7C and 7D - Column Total should equal the Base Revenue Requirement for each.  
Column 7C - The OEB-issued cost allocation model calculates "1+d" on worksheet O-1, cell C22. "d" is defined as Revenue Deficiency/Revenue at Current Rates.
- (6)
- (7) Column 7E - If using the OEB-issued cost allocation model, enter Miscellaneous Revenues as it appears on worksheet O-1, row 19.

**C) Rebalancing Revenue-to-Cost Ratios**

	Name of Customer Class	Previously Approved Ratios	Status Quo Ratios	Proposed Ratios	Policy Range
		Most Recent Year:	(7C + 7E) / (7A)	(7D + 7E) / (7A)	
		2018			
		%	%	%	%
1	Residential	96.16%	91.70%	94.24%	85 - 115
2	GS<50	116.82%	119.92%	119.92%	80 - 120
3	GS>50	103.70%	136.47%	120.00%	80 - 120
4	Embedded Distributor	120.00%	158.04%	120.00%	80 - 120
5	Street Light	120.00%	82.52%	94.24%	80 - 120
6	Sentinel Light	120.00%	40.26%	55.41%	80 - 120
7	USL	120.00%	140.64%	120.00%	80 - 120
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

- (8) Previously Approved Revenue-to-Cost (R/C) Ratios - For most applicants, the most recent year would be the third year (at the latest) of the Price Cap IR period. For example, if the applicant, rebased in 2020 with further adjustments to move within the range over two years, the Most Recent Year would be 2023. However, the ratios in 2023 would be equal to those after the adjustment in 2022.
- (9) Status Quo Ratios - The OEB-issued cost allocation model provides the Status Quo Ratios on Worksheet O-1. The Status Quo means "Before Rebalancing".
- (10) Ratios shown in red are outside of the allowed range. Applies to both Tables C and D.

**(D) Proposed Revenue-to-Cost Ratios <sup>(11)</sup>**

	Name of Customer Class	Proposed Revenue-to-Cost Ratio			Policy Range
		Test Year	Price Cap IR Period		
		2025	2026	2027	
1	Residential	94.24%	94.21%	94.17%	85 - 115
2	GS<50	119.92%	119.92%	119.92%	80 - 120
3	GS>50	120.00%	120.00%	120.00%	80 - 120
4	Embedded Distributor	120.00%	120.00%	120.00%	80 - 120
5	Street Light	94.24%	94.21%	94.17%	80 - 120
6	Sentinel Light	55.41%	63.15%	74.24%	80 - 120
7	USL	120.00%	120.00%	120.00%	80 - 120
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					

(11) The applicant should complete Table D if it is applying for approval of a revenue-to-cost ratio in 2025 that is outside of the OEB's policy range for any customer class. Table D will show that the distributor is likely to enter into the 2026 and 2027 Price Cap IR models, as necessary. For 2026 and 2027, enter the planned revenue-to-cost ratios that will be "Change" or "No Change" in 2026 (in the current Revenue/Cost Ratio Adjustment Workform, Worksheet C1.1 'Decision - Cost Revenue Adjustment, column d), and enter TBD for class(es) that will be entered as 'Rebalance'.



# Revenue Requirement Workform (RRWF) for 2025 Filers

## New Rate Design Policy For Residential Customers

Please complete the following tables.

### A Data Inputs (from Sheet 10. Load Forecast)

Test Year Billing Determinants for Residential Class	
Customers	29,454
kWh	284,634,106

Proposed Residential Class Specific Revenue Requirement <sup>1</sup>	\$ 12,956,334.04
--	------------------

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

### B Current Fixed/Variable Split

	Base Rates	Billing Determinants	Revenue	% of Total Revenue
Fixed		29,454		
Variable		284,634,106		
<b>TOTAL</b>	-	-		-

### C Calculating Test Year Base Rates

Number of Remaining Rate Design Policy Transition Years <sup>2</sup>	
--	--

	Test Year Revenue @ Current F/V Split	Test Year Base Rates @ Current F/V Split	Reconciliation - Test Year Base Rates @ Current F/V Split
Fixed			
Variable			
<b>TOTAL</b>		-	

	New F/V Split	Revenue @ new F/V Split	Final Adjusted Base Rates	Revenue Reconciliation @ Adjusted Rates
Fixed				
Variable				
<b>TOTAL</b>	-	\$ -	-	

Checks <sup>3</sup>	
Change in Fixed Rate	
Difference Between Revenues @ Proposed Rates and Class Specific Revenue Requirement	

### Notes:

- The final residential class specific revenue requirement, excluding allocated Miscellaneous Revenues, as shown on Sheet 11. Cost Allocation, should be used (i.e. the revenue requirement after any proposed adjustments to R/C ratios).
- The distributor should enter the number of years remaining before the transition to fully fixed rates is completed. The change in residential rate design is almost complete and distributors should have either 0 or 1 year remaining. If the distributor has fully transitioned to fixed rates put "0" in cell D40. If the distributor has proposed an additional transition year because the change in the residential rate design will result in the fixed charge increasing by more than \$4/year, put "1" in cell D40.
- Change in fixed rate due to rate design policy should be less than \$4. The difference between the proposed class revenue requirement and the revenue at calculated base rates should be minimal (i.e. should be reasonably considered as a rounding error)

# Revenue Requirement Workform (RRWF) for 2025 Filers

## Rate Design and Revenue Reconciliation

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

Stage in Process:		Initial Application				Class Allocated Revenues			Fixed / Variable Splits <sup>1,3</sup>			Distribution Rates				Revenue Reconciliation			
Customer and Load Forecast					From Sheet 11, Cost Allocation and Sheet 12, Residential Rate Design			Percentage to be entered as a fraction between 0 and 1		Transformer Ownership Allowance <sup>1</sup> (\$)	Monthly Service Charge <sup>2</sup>		Volumetric Rate <sup>3</sup>		MSC Revenues	Volumetric revenues	Distribution Revenues less Transformer Ownership		
Customer Class	Volumetric Charge Determinant	Customers / Connections	kWh	kW or KVA	Total Class Revenue Requirement	Monthly Service Charge	Volumetric	Fixed	Variable		Rate	No. of decimals	Rate	No. of decimals					
From sheet 10, Load Forecast																			
1	Residential	kWh	29,454	284,634,106	\$ 12,956,334	\$ 12,956,334	\$ -	100.00%	0.00%	\$36.66	2	\$0.0000 /kWh	4	\$12,957,523.71	\$ -	\$12,957,523.71			
2	GS<50	kWh	2,098	70,835,308	\$ 2,375,274	\$ 1,124,987	\$ 1,250,288	47.36%	52.64%	\$44.69		\$0.0177 /kWh		\$ 1,124,986.50	\$ 1,253,784,9578	\$ 2,378,771.46			
3	GS>50	kW	235	197,879,033	\$ 2,555,629	\$ 772,157	\$ 1,783,472	30.21%	69.79%	\$274.38		\$2.6622 /kW		\$ 772,157.06	\$ 1,859,317.9082	\$ 2,555,664.37			
4	Embedded Distributor	kW	4	34,244,754	\$ 140,322	\$ 27,031	\$ 113,291	19.26%	80.74%	\$563.14	75,811	\$1.2467 /kW		\$ 27,030.72	\$ 113,289,1909	\$ 140,319.91			
5	Street Light	kW	2,828	2,433,601	\$ 273,941	\$ 172,411	\$ 101,530	62.94%	37.06%	\$5.08		\$13.7715 /kW		\$ 172,410.93	\$ 101,530,1862	\$ 273,941.11			
6	Sentinel Light	kW	216	262,328	\$ 28,182	\$ 15,729	\$ 12,453	55.81%	44.19%	\$6.07		\$17.3835 /kW		\$ 15,729.47	\$ 12,452,6195	\$ 28,182.09			
7	USL	kWh	123	1,363,562	\$ 58,415	\$ 14,880	\$ 43,535	25.47%	74.53%	\$10.10		\$0.0315 /kWh		\$ 14,879.66	\$ 43,562,2099	\$ 58,461.87			
8	#	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -			
9	#	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -			
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#	-	-	-	-	-	-	-	-	-	-	-	-	-	\$ -	\$ -	\$ -			
Total Transformer Ownership Allowance										\$ 75,811				Total Distribution Revenues			\$ 18,392,864.52		
Rates recover revenue requirement																Base Revenue Requirement			\$ 18,390,129.00
Difference																% Difference			0.015%

**Notes:**

<sup>1</sup> Transformer Ownership Allowance is entered as a positive amount, and only for those classes to which it applies.

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

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



Ontario Energy Board

# Revenue Requirement Workform (RRWF) for 2025 Filers



Version 1.10

Utility Name	Essex Powerlines Corporation
Service Territory	
Assigned EB Number	EB-2024-0020
Name and Title	Grace Flood, Director Finance & Regulatory Affairs
Phone Number	519-737-9811 X 163
Email Address	<a href="mailto:gflood@essexpowerlines.ca">gflood@essexpowerlines.ca</a>
Test Year	<a href="#">2025</a>
Bridge Year	<a href="#">2024</a>
Last Rebasing Year	<a href="#">2018</a>

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

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

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***While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and***





Ontario Energy Board

# Revenue Requirement Workform (RRWF) for 2025 Filers

## Table of Contents

<a href="#">1. Info</a>	<a href="#">8. Rev Def Suff</a>
<a href="#">2. Table of Contents</a>	<a href="#">9. Rev Req</a>
<a href="#">3. Data Input Sheet</a>	<a href="#">10. Load Forecast</a>
<a href="#">4. Rate Base</a>	<a href="#">11. Cost Allocation</a>
<a href="#">5. Utility Income</a>	12. Residential Rate Design - hidden. Contact OEB staff if needed.
<a href="#">6. Taxes PILs</a>	<a href="#">13. Rate Design and Revenue Reconciliation</a>
<a href="#">7. Cost of Capital</a>	<a href="#">14. Tracking Sheet</a>

### Notes:

- (1) Pale green cells represent inputs
- (2) Pale green boxes at the bottom of each page are for additional notes
- (3) Pale blue cells represent drop-down lists
- (4) **Please note that this model uses MACROS. Before starting, please ensure that macros have been enabled.**
- (5) **Completed versions of the Revenue Requirement Work Form are required to be filed in working Microsoft Excel format.**



# Revenue Requirement Workform (RRWF) for 2025 Filers

### Tracking Form

The first row shown, labelled "Original Application", summarizes key statistics based on the data inputs into the RRWF. After the original application filing, the applicant provides key changes in capital and operating expenses, load forecasts, cost of capital, etc., as revised through the processing of the application. This could be due to revisions or responses to interrogatories. The last row shown is the most current estimate of the cost of service data reflecting the original application and any updates provided by the applicant distributor (for updated evidence, responses to interrogatories, undertakings, etc.)

Please ensure a Reference (Column B) and/or Item Description (Column C) is entered. Please note that unused rows will automatically be hidden and the PRINT AREA set when the PRINT BUTTON on Sheet 1 is activated.

<sup>(1)</sup> Short reference to evidence material (interrogatory response, undertaking, exhibit number, Board Decision, Code, Guideline, Report of the Board, etc.)

<sup>(2)</sup> Short description of change, issue, etc.

### Summary of Proposed Changes

Reference <sup>(1)</sup>	Item / Description <sup>(2)</sup>	Cost of Capital		Rate Base and Capital Expenditures			Operating Expenses			Revenue Requirement			
		Regulated Return on Capital	Regulated Rate of Return	Rate Base	Working Capital	Working Capital Allowance (\$)	Amortization / Depreciation	Taxes/PILs	OM&A	Service Revenue Requirement	Other Revenues	Base Revenue Requirement	Grossed up Revenue Deficiency / Sufficiency
	Original Application	\$ 4,890,516	5.86%	\$ 83,461,606	\$ 83,864,121	\$ 6,289,809	\$ 4,050,033	\$ 199,088	\$ 10,312,735	\$ 19,496,373	\$ 1,106,244	\$ 18,390,129	\$ 2,324,346

# Attachment 6-B PILS Model

# Income Tax/PILs Workform for 2025 Filers

## PILS Tax Provision - Bridge Year

### Regulatory Taxable Income

	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate	
Ontario (Max 11.5%)	11.5%	11.5%	-\$ 253,590	11.5%	<b>B</b>
Federal (Max 15%)	15.0%	15.0%	-\$ 330,770	15.0%	<b>C</b>
Combined effective tax rate (Max 26.5%)					

### Total Income Taxes

Investment Tax Credits  
Miscellaneous Tax Credits

### Total Tax Credits

### Corporate PILs/Income Tax Provision for Bridge Year

### Wires Only

Reference

**B1** -\$ 2,205,132 **A**

26.50% **D = B + C**

\$ - **E = A \* D**

  **F**

  **G**

\$ - **H = F + G**

\$ - **I = E - H**

### Note:

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

# Income Tax/PILs Workform for 2025 Filers

Version 1.00

Utility Name	Essex Powerlines Corporation
Assigned EB Number	EB-2024-0020
Name and Title	Grace Flood, Director Finance & Regulatory Affairs
Phone Number	519-737-9811 X.163
Email Address	gflood@essexpowerlines.ca
Date	30-Apr-24
Last COS Re-based Year	2018

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

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*While this model has been provided in Excel format and is required to be filed with the applications, the onus remains on the applicant to ensure the accuracy of the data and the results.*

## Instructions

### Purpose

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

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

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

### Methodology

To calculate the PILs for the Test Year:

- 1) input the balances from the income tax return of the Historical Year in tabs H1 to H13.
- 2) input the balances for the Bridge Year and the Test Year.

Inputs should include:

- non-deductible expenses (Schedule 1 - B1 and T1)
- loss carryforward (Schedule 4 - B4 and T4)
- capital cost allowance (Schedule 8 - B8 and T8)
- non-deductible reserves (Schedule 13 - B13 and T13)

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

### Other Notes

Tabs H0 to H13 relate to the Historical Year.

Tabs B0 to B13 relate to the Bridge Year.

Tabs T0 to T13 relate to the Test Year.

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

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

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



# Income Tax/PILs Workform for 2025 Filers

- [1. Info](#)
- [S. Summary](#)
- [A. Data Input Sheet](#)
- [B. Tax Rates & Exemptions](#)

## Historical Year

- [H0 - PILs, Tax Provision Historical Year](#)
- [H1 - Adj. Taxable Income Historical Year](#)
- [H4 - Schedule 4 Loss Carry Forward Historical Year](#)
- [H8 - Schedule 8 Historical](#)
- [H13 - Schedule 13 Tax Reserves Historical](#)

## Bridge Year

- [B0 - PILs, Tax Provision Bridge Year](#)
- [B1 - Adj. Taxable Income Bridge Year](#)
- [B4 - Schedule 4 Loss Carry Forward Bridge Year](#)
- [B8 - Schedule 8 CCA Bridge Year](#)
- [B13 - Schedule 13 Tax Reserves Bridge Year](#)

## Test Year

- [T0 PILs, Tax Provision Test Year](#)
- [T1 Taxable Income Test Year](#)
- [T4 Schedule 4 Loss Carry Forward Test Year](#)
- [T8 Schedule 8 CCA Test Year](#)
- [T13 Schedule 13 Reserve Test Year](#)

# Income Tax/PILs Workform for 2025 Filers

No inputs required on this worksheet.

# Income Tax/PILs Workform for 2025 Filers

## Integrity Checks

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

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





# Income Tax/PILs Workform for 2025 Filers

		Test Year	Bridge Year	
<b>Rate Base</b>	S	\$ 83,461,606	\$ 77,058,460	
<b>Return on Ratebase</b>				
Deemed ShortTerm Debt %	T	4.00%	\$ 3,338,464	$W = S * T$
Deemed Long Term Debt %	U	56.00%	\$ 46,738,499	$X = S * U$
Deemed Equity %	V	40.00%	\$ 33,384,642	$Y = S * V$
Short Term Interest Rate	Z	6.23%	\$ 207,986	$AC = W * Z$
Long Term Interest	AA	3.44%	\$ 1,607,804	$AD = X * AA$
<b>Return on Equity (Regulatory Income)</b>	AB	9.21%	\$ 3,074,726	$AE = Y * AB$ <a href="#">T1</a>
<b>Return on Rate Base</b>			\$ 4,890,516	$AF = AC + AD + AE$

## Questions that must be answered

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



# Income Tax/PILs Workform for 2025 Filers

**Tax Rates**

**Federal & Provincial  
As of MMM XX, 2019**

**Federal income tax**

General Corporate Rate	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%
Federal Tax Abatement	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%
Adjusted Federal Rate	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%

Rate Reduction

**Federal Income Tax**

**Ontario Income Tax**

**Combined Federal and Ontario**

**Federal & Ontario Small Business**

Federal Small Business Limit	500,000	500,000	500,000	500,000	500,000	500,000
Ontario Small Business Limit	500,000	500,000	500,000	500,000	500,000	500,000

Federal Small Business Rate

Ontario Small Business Rate

	Effective January 1, 2018	Effective January 1, 2019	Effective January 1, 2020	Effective January 1, 2021	Effective January 1, 2022	Effective January 1, 2023
<b>Federal income tax</b>						
General Corporate Rate	38.00%	38.00%	38.00%	38.00%	38.00%	38.00%
Federal Tax Abatement	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%	-10.00%
Adjusted Federal Rate	28.00%	28.00%	28.00%	28.00%	28.00%	28.00%
Rate Reduction	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%	-13.00%
<b>Federal Income Tax</b>	15.00%	15.00%	15.00%	15.00%	15.00%	15.00%
<b>Ontario Income Tax</b>	11.50%	11.50%	11.50%	11.50%	11.50%	11.50%
<b>Combined Federal and Ontario</b>	26.50%	26.50%	26.50%	26.50%	26.50%	26.50%
<b>Federal &amp; Ontario Small Business</b>						
Federal Small Business Limit	500,000	500,000	500,000	500,000	500,000	500,000
Ontario Small Business Limit	500,000	500,000	500,000	500,000	500,000	500,000
Federal Small Business Rate	11.00%	10.50%	10.50%	10.00%	9.00%	9.00%
Ontario Small Business Rate	4.50%	4.50%	3.50%	3.50%	3.20%	3.20%

**Notes**

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



# Income Tax/PILs Workform for 2025 Filers

## PILs Tax Provision - Historical Year

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

Regulatory Taxable Income  
Combined Tax Rate and PILs

Ontario Tax Rate (Maximum 11.5%)  
Federal tax rate (Maximum 15%)  
Combined tax rate (Maximum 26.5%)

11.50% B  
15.00% C

H1

### Wires Only

-\$ 1,728,480 A

26.50% D = B+C

Total Income Taxes

-\$ 458,047 E = A \* D

Investment Tax Credits  
Miscellaneous Tax Credits

F  
G

Total Tax Credits

\$ - H = F + G

Corporate PILs/Income Tax Provision for Historical Year

-\$ 25,477 I = E - H



Capital cost allowance from Schedule 8	403	7,011,819		7,011,819
Terminal loss from Schedule 8	404			0
Allowable business investment loss	406			0
Deferred and prepaid expenses	409			0
Scientific research expenses claimed in year	411			0
Tax reserves claimed in current year	413			0
Reserves from financial statements - balance at beginning of year	414	124,827		124,827
Contributions to deferred income plans	416			0
Book income of joint venture or partnership	305			0
Equity in income from subsidiary or affiliates	306			0
<b>Other deductions</b>				
Interest capitalized for accounting deducted for tax	395			0
Capital Lease Payments	395			0
Non-taxable imputed interest income on deferral and variance accounts	395			0
post employment benefit payments	395	175,090		175,090
	395			0
ARO Payments - Deductible for Tax when Paid				0
ITA 13(7.4) Election - Capital Contributions Received				0
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds				0
Deferred Revenue - ITA 20(1)(m) reserve				0
Principal portion of lease payments				0
Lease Inducement Book Amortization credit to income				0
Financing fees for tax ITA 20(1)(e) and (e.1)				0
non taxable/deductible other comprehensive income items		43,479		43,479
				0
				0
				0
				0
				0
				0
				0
				0
<b>Total Deductions</b>		<b>7,355,567</b>	<b>0</b>	<b>7,355,567</b>
<b>Net Income for Tax Purposes</b>		<b>-1,728,480</b>	<b>0</b>	<b>-1,728,480</b>
Charitable donations from Schedule 2	311			0
Taxable dividends received under section 112 or 113	320			0
Non-capital losses of previous tax years from Schedule 4	331			0
Net capital losses of previous tax years from Schedule 4	332			0
Limited partnership losses of previous tax years from Schedule 4	335			0
<b>TAXABLE INCOME</b>		<b>-1,728,480</b>	<b>0</b>	<b>-1,728,480</b>



# Income Tax/PILs Workform for 2025 Filers

## Schedule 4 Loss Carry Forward - Historical

### Corporation Loss Continuity and Application

	Total	Non-Distribution Portion	Utility Balance
<b>Non-Capital Loss Carry Forward Deduction</b>			
Actual Historical	1,728,480		1,728,480

	Total	Non-Distribution Portion	Utility Balance
<b>Net Capital Loss Carry Forward Deduction</b>			
Actual Historical			0

[B4](#)

[B4](#)





# Income Tax/PIEs Workform for 2

## Schedule 13 Tax Reserves - Historical

### Continuity of Reserves

Description	Historical Balance as per tax returns	Non-Distribution Eliminations	Utility Only
Capital gains reserves ss.40(1)			0
<b>Tax reserves not deducted for accounting purposes</b>			
Reserve for doubtful accounts ss. 20(1)(l)			0
Reserve for undelivered goods and services not rendered ss. 20(1)(m)			0
Reserve for unpaid amounts ss. 20(1)(n)			0
Debt & share issue expenses ss. 20(1)(e)			0
Other tax reserves			0
			0
			0
			0
			0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Financial Statement Reserves (not deductible for Tax Purposes)</b>			
General reserve for inventory obsolescence (non-specific)			0
General reserve for bad debts			0
Accrued Employee Future Benefits:	153,990		153,990
- Medical and Life Insurance			0
-Short & Long-term Disability			0
-Accumulated Sick Leave			0
- Termination Cost			0
- Other Post-Employment Benefits			0
Provision for Environmental Costs			0
Restructuring Costs			0
Accrued Contingent Litigation Costs			0
Accrued Self-Insurance Costs			0
Other Contingent Liabilities			0
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)			0
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)			0
Other			0
			0
			0
<b>Total</b>	<b>153,990</b>	<b>0</b>	<b>153,990</b>





# Income Tax/PILs Workform for 2025 Filers

## Adjusted Taxable Income - Bridge Year

	T2S1 line #	Working Paper Reference	Total for Regulated Utility
<b>Income before PILs/Taxes</b>	<b>(A + 101 + 102)</b>		1,952,767
<b>Additions:</b>			
Interest and penalties on taxes	103		
Amortization of tangible assets	104		3,404,238
Amortization of intangible assets	106		458,224
Recapture of capital cost allowance from Schedule 8	107	B8	0
Income inclusion under subparagraph 13(38)(d)(iii)	108		
Income or loss for tax purposes- joint ventures or partnerships	109		
Loss in equity of subsidiaries and affiliates	110		
Loss on disposal of assets	111		
Charitable donations and gifts from Schedule 2	112		
Taxable capital gains	113		
Political contributions	114		
Deferred and prepaid expenses	116		
Scientific research expenditures deducted on financial statements	118		
Capitalized interest	119		
Non-deductible club dues and fees	120		
Non-deductible meals and entertainment expense	121		8,800
Non-deductible automobile expenses	122		
Non-deductible life insurance premiums	123		
Non-deductible company pension plans	124		
Tax reserves deducted in prior year	125	B13	0
Reserves from financial statements- balance at end of year	126	B13	153,990
Soft costs on construction and renovation of buildings	127		
Capital items expensed	206		
Debt issue expense	208		
Development expenses claimed in current year	212		
Financing fees deducted in books	216		
Gain on settlement of debt	220		
Non-deductible advertising	226		
Non-deductible interest	227		
Non-deductible legal and accounting fees	228		
Recapture of SR&ED expenditures	231		
Share issue expense	235		
Write down of capital property	236		
Amounts received in respect of qualifying environment trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237		
<b>Other Additions</b>			
Interest Expensed on Capital Leases	295		
Realized Income from Deferred Credit Accounts	295		
Pensions	295		
Non-deductible penalties	295		
	295		
	295		
ARO Accretion expense			
Capital Contributions Received (ITA 12(1)(x))			
Lease Inducements Received (ITA 12(1)(x))			



# Income Tax/PILs Workform for 2025 Filers

## Adjusted Taxable Income - Bridge Year

Deferred Revenue (ITA 12(1)(a))			
Prior Year Investment Tax Credits received			
<b>Total Additions</b>			<b>4,025,252</b>
<b>Deductions:</b>			
Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403	B8	8,029,161
Terminal loss from Schedule 8	404	B8	
Allowable business investment loss	406		
Deferred and prepaid expenses	409		
Scientific research expenses claimed in year	411		
Tax reserves claimed in current year	413	B13	0
Reserves from financial statements - balance at beginning of year	414	B13	153,990
Contributions to deferred income plans	416		
Book income of joint venture or partnership	305		
Equity in income from subsidiary or affiliates	306		
<b>Other deductions</b>			
Interest capitalized for accounting deducted for tax	395		
Capital Lease Payments	395		
Non-taxable imputed interest income on deferral and variance accounts	395		
	395		
	395		
ARO Payments - Deductible for Tax when Paid			
ITA 13(7.4) Election - Capital Contributions Received			
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds			
Deferred Revenue - ITA 20(1)(m) reserve			
Principal portion of lease payments			
Lease Inducement Book Amortization credit to income			
Financing fees for tax ITA 20(1)(e) and (e.1)			
<b>Total Deductions</b>		calculated	<b>8,183,151</b>
<b>Net Income for Tax Purposes</b>		calculated	<b>-2,205,132</b>
Charitable donations	311		
Taxable dividends received under section 112 or 113	320		



# Income Tax/PILs Workform for 2025 Filers

## Adjusted Taxable Income - Bridge Year

Non-capital losses of previous tax years from Schedule 4	331	<u>B4</u>	0
Net capital losses of previous tax years from Schedule 4	332	<u>B4</u>	0
Limited partnership losses of previous tax years from Schedule 4	335		
<b>TAXABLE INCOME</b>		calculated	<b>-2,205,132</b>



# Income Tax/PIs Workform for 2025 Filers

## Corporation Loss Continuity and Application

### Schedule 4 Loss Carry Forward - Bridge Year

<b>Non-Capital Loss Carry Forward Deduction</b>		<b>Total</b>
Actual Historical	<u>H4</u>	1,728,480
<b>Amount to be used in Bridge Year</b>	<u>B1</u>	0
Loss Carry Forward Generated in Bridge Year (if any)	<u>B1</u>	2,205,132
Other Adjustments		
Balance available for use post Bridge Year	calculated	3,933,612

T4

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

T4

# Income Tax/PILs Workform for 2025 Filers

Schedule 8 CCA - Bridge Year

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated capital cost (UCC) at the beginning of the bridge year	(3) Cost of acquisitions during the year (less property must be available for use, except CWP)	(4) Cost of acquisitions from column 3 that are designated immediate expensing property (DEP)	(5) Adjustments and transfers (enter amounts that will reduce the UCC as negative)	(6) Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition	(7) Amount from column 6 that is repaid during the year for a property, subsequent to its disposition	(8) Proceeds of dispositions	(9) Proceeds of dispositions of the DEP (enter amount from column 8 that relates to the DEP reported in column 4)	(10) UCC (column 2 plus column 3 plus or minus column 8) minus column 9	(11) UCC of the DEP (enter the UCC amount that relates to the DEP reported in column 4)	(12) Immediate expensing	(13) Cost of acquisitions (on remainder of Class (column 3 minus column 4 plus column 11 minus column 12))	(14) Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIP or properties included in Classes 64 to 66)	(15) Remaining UCC (column 10 minus column 12) (if negative, enter "0")	(16) Proceeds of disposition available to reduce the UCC of AIP and property included in Classes 64 to 66 (column 9 minus column 6 plus column 14 minus column 7) (if negative, enter "0")	(17) Net capital cost additions of AIP and property included in Classes 64 to 66 acquired during the year (column 14 minus column 7 plus column 16) (if negative, enter "0")	Relevant factor	(18) UCC adjustment for AIP and property included in Classes 64 to 66 acquired during the year (column 17 multiplied by the relevant factor)	(19) UCC adjustment for non-AIP and property included in Classes 64 to 66 (column 15 minus column 18 plus column 9 plus column 12) (if negative, enter "0")	(20) CCA Rate %	(21) Recapture of CCA	(22) Terminal Loss	(23) CCA (for declining balance method, the result of column 15 plus column 18 minus column 20 or a lesser amount, plus column 12)	(24) UCC at the end of the test year (column 10 minus column 23)	Working Paper Reference
1	Buildings, Distribution System (acc'd post 1987)	180	\$ 15,248,408							\$ 15,248,408	\$ -	\$ -	\$ -	\$ 15,248,408	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	4%	\$ -	\$ -	\$ 609,836	\$ 14,638,472	70	
16	Non-Residential Buildings (Reg. 1100 (VIA 1) election)	180	\$ 3,224,815	70,264					\$ 30,264	\$ 3,245,079	\$ -	\$ -	\$ -	\$ 3,245,079	\$ -	\$ -	\$ -	0.00	\$ -	\$ 36,130	8%	\$ -	\$ -	\$ 198,873	\$ 3,444,106	70	
2	Buildings (acc'd pre 1988)	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	8%	\$ -	\$ -	\$ -	\$ -	70	
6	Certain Buildings, Fences	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	100%	\$ -	\$ -	\$ -	\$ -	70	
8	General Office Equipment, Furniture, Fixtures	180	\$ 244,074	100,000	0				\$ 344,074	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	0.04	\$ 100,000	\$ 0.04	30%	\$ -	\$ -	\$ 68,816	\$ 275,259	70	
9	Motor Vehicles, Fleet	180	\$ 2,889,151	770,000	0				\$ 3,106,151	\$ 770,000	\$ 770,000	\$ 770,000	\$ 770,000	\$ 770,000	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	35%	\$ -	\$ -	\$ 931,845	\$ 2,174,306	70	
101	Certain Automobiles	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	100%	\$ -	\$ -	\$ -	\$ -	70	
12	Computer Application Software (Non-Systems)	180	\$ 1,730,479	844,918	0				\$ 2,575,397	\$ 844,918	\$ 844,918	\$ 844,918	\$ 844,918	\$ 844,918	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	100%	\$ -	\$ -	\$ 2,575,397	\$ -	70	
13	Lease # 1	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	NA	\$ -	\$ -	\$ -	\$ -	70	
13	Lease # 2	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	NA	\$ -	\$ -	\$ -	\$ -	70	
13	Lease # 3	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	NA	\$ -	\$ -	\$ -	\$ -	70	
13	Lease # 4	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	NA	\$ -	\$ -	\$ -	\$ -	70	
14	Limited Period Patents, Franchises, Concessions or Licences	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	NA	\$ -	\$ -	\$ -	\$ -	70	
14.1	Eligible Capital Property (acc'd pre Jan 1, 2017)	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	7%	\$ -	\$ -	\$ -	\$ -	70	
14.4	Eligible Capital Property (acc'd post Jan 1, 2017)	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	6%	\$ -	\$ -	\$ -	\$ -	70	
17	Fuel, Generation Equip., Non-Filing, acc'd post Feb 27/89, Roads, Lots, Storage	180	\$ 33,033	25,000					\$ 58,033	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	8%	\$ -	\$ -	\$ 3,643	\$ 54,395	70	
20	Fuel, Other Cable	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	13%	\$ -	\$ -	\$ -	\$ -	70	
41.1	Certain Clean Energy/Efficient Generation Equipment	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	30%	\$ -	\$ -	\$ -	\$ -	70	
41.2	Certain Clean Energy/Efficient Generation Equipment	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	60%	\$ -	\$ -	\$ -	\$ -	70	
46	Computers A System Software (acc'd post Mar 22/04 and pre Mar 19/07)	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	60%	\$ -	\$ -	\$ -	\$ -	70	
46	Data Network Infrastructure Equipment (acc'd post Mar 22/04)	180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	35%	\$ -	\$ -	\$ -	\$ -	70	
47	Distribution System (acc'd post Feb 23/95)	180	\$ 33,424,791	7,272,805	0				\$ 40,697,596	\$ 7,272,805	\$ 7,272,805	\$ 7,272,805	\$ 7,272,805	\$ 7,272,805	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	8%	\$ -	\$ -	\$ 3,265,802	\$ 37,431,794	70	
88	General Purpose Computer Hardware & Software (acc'd post Mar 18/07)	180	\$ 476,273	224,000	0				\$ 700,273	\$ 224,000	\$ 224,000	\$ 224,000	\$ 224,000	\$ 224,000	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	50%	\$ -	\$ -	\$ 385,150	\$ 315,123	70	
95	CWP	180	\$ 626,008			-545,908			\$ 80,100	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -	6%	\$ -	\$ -	\$ -	\$ 80,100	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	
		180	\$ -						\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.00	\$ -	\$ -		\$ -	\$ -	\$ -	\$ -	70	

# Income Tax/PILs Workform for 2025 Filers

## Schedule 13 Tax Reserves - Bridge Year

### Continuity of Reserves

Description	Reference	Historical Utility Only	Eliminate Amounts Not Relevant for Bridge Year	Adjusted Utility Balance	Bridge Year Adjustments		Balance for Bridge Year	Change During the Year	Disallowed Expenses	
					Additions	Disposals				
Capital gains reserves ss.40(1)	H13	0		0			0	T13	0	
<b>Tax Reserves Not Deducted for Accounting Purposes</b>										
Reserve for doubtful accounts ss. 20(1)(l)	H13	0		0			0	T13	0	
Reserve for goods and services not delivered ss. 20(1)(m)	H13	0		0			0	T13	0	
Reserve for unpaid amounts ss. 20(1)(n)	H13	0		0			0	T13	0	
Debt & share issue expenses ss. 20(1)(e)	H13	0		0			0	T13	0	
Other tax reserves	H13	0		0			0	T13	0	
		0		0			0		0	
		0		0			0		0	
<b>Total</b>		0	0	0	B1	0	0	B1	0	
<b>Financial statement reserves (not deductible for tax purposes)</b>										
General Reserve for Inventory Obsolescence (non-specific)	H13	0		0			0	T13	0	
General Reserve for Bad Debts	H13	0		0			0	T13	0	
Accrued Employee Future Benefits:	H13	153,990		153,990			153,990	T13	0	
- Medical and Life Insurance	H13	0		0			0	T13	0	
- Short & Long-term Disability	H13	0		0			0	T13	0	
- Accumulated Sick Leave	H13	0		0			0	T13	0	
- Termination Cost	H13	0		0			0	T13	0	
- Other Post-Employment Benefits	H13	0		0			0	T13	0	
Provision for Environmental Costs	H13	0		0			0	T13	0	
Restructuring Costs	H13	0		0			0	T13	0	
Accrued Contingent Litigation Costs	H13	0		0			0	T13	0	
Accrued Self-Insurance Costs	H13	0		0			0	T13	0	
Other Contingent Liabilities	H13	0		0			0	T13	0	
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	H13	0		0			0	T13	0	
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	H13	0		0			0	T13	0	
Other	H13	0		0			0	T13	0	
		0		0			0		0	
		0		0			0		0	
<b>Total</b>		153,990	0	153,990	B1	0	153,990	B1	0	



# Income Tax/PILs Workform for 2025 Filers

## PILs Tax Provision - Test Year

### Regulatory Taxable Income

	Tax Rate	Small Business Rate (If Applicable)	Taxes Payable	Effective Tax Rate	
Ontario (Max 11.5%)	11.5%	11.5%	\$ 63,733	11.5%	<b>B</b>
Federal (Max 15%)	15.0%	15.0%	\$ 83,130	15.0%	<b>C</b>

Combined effective tax rate (Max 26.5%)

### Total Income Taxes

Investment Tax Credits  
Miscellaneous Tax Credits

### Total Tax Credits

### Corporate PILs/Income Tax Provision for Test Year

Corporate PILs/Income Tax Provision Gross Up <sup>1</sup>

Income Tax (grossed-up)

### Note:

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

### Wires Only

<u>T1</u>	\$ 554,199	<b>A</b>		
	26.50%	<b>D = B + C</b>		
	\$ 146,863	<b>E = A * D</b>		
		<b>F</b>		
	\$ 533	<b>G</b>		
	\$ 533	<b>H = F + G</b>		
	\$ 146,330	<b>I = E - H</b>	<a href="#">S. Su</a>	
	\$ 52,758	<b>K = I/J-I</b>		
	\$ 199,088	<b>L = K + I</b>	<a href="#">S. Su</a>	

73.50% **J = 1-D**





<b>Total Additions</b>			<b>4,896,805</b>
<b>Deductions:</b>			
Gain on disposal of assets per financial statements	401		
Dividends not taxable under section 83	402		
Capital cost allowance from Schedule 8	403	T8	7,124,792
Terminal loss from Schedule 8	404	T8	0
Allowable business investment loss	406		
Deferred and prepaid expenses	409		
Scientific research expenses claimed in year	411		
Tax reserves end of year	413	T13	0
Reserves from financial statements - balance at beginning of year	414	T13	153,990
Contributions to deferred income plans	416		
Book income of joint venture or partnership	305		
Equity in income from subsidiary or affiliates	306		
<b>Other deductions</b>			
Interest capitalized for accounting deducted for tax	395		
Capital Lease Payments	395		
Non-taxable imputed interest income on deferral and variance accounts	395		
	395		
	395		
	395		
	395		
	395		
ARO Payments - Deductible for Tax when Paid			
ITA 13(7.4) Election - Capital Contributions Received			
ITA 13(7.4) Election - Apply Lease Inducement to cost of Leaseholds			
Deferred Revenue - ITA 20(1)(m) reserve			
Principal portion of lease payments			
Lease Inducement Book Amortization credit to Income			
Financing fees for tax ITA 20(1)(e) and (e.1)			
<b>Total Deductions</b>		calculated	<b>7,278,782</b>
<b>NET INCOME FOR TAX PURPOSES</b>		calculated	<b>692,749</b>
Charitable donations	311		
Taxable dividends received under section 112 or 113	320		
Non-capital losses of previous tax years from Schedule 4	331	T4	138,550
Net capital losses of previous tax years from Schedule 4	332	T4	0
Limited partnership losses of previous tax years from Schedule 4	335		
<b>REGULATORY TAXABLE INCOME</b>		calculated	<b>554,199</b>

T0



# Income Tax/PILs Workform for 2025 Filers

## Schedule 4 Loss Carry Forward - Test Year

### Corporation Loss Continuity and Application

	Working Paper Reference	Total	Non-Distribution Portion	Utility Balance
<b>Non-Capital Loss Carry Forward Deduction</b>				
Actual/Estimated Bridge Year Carried Forward	B4	3,933,612		3,933,612
<b>Amount to be used in Test Year and Price Cap Years</b>	I1	692,749		692,749
Number of years loss until next cost of service (i.e. years the loss is to be spread over)		5		
<b>Amount to be used in Test Year</b>	calculated	138,550		138,550
Loss Carry Forward Generated in Test Year (if any)	I1	0		0
Other Adjustments				0
Balance available for use in Future Years	calculated	3,240,863		3,240,863

		Total	Non-Distribution Portion	Utility Balance
<b>Net Capital Loss Carry Forward Deduction</b>				
Actual/Estimated Bridge Year Carried Forward	B4	0		0
<b>Amount to be used in Test Year and Price Cap Years</b>				0
Number of years loss until next cost of service (i.e. years the loss is to be spread over)				
<b>Amount to be used in Test Year</b>	I1	0		0
Loss Carry Forward Generated in Test Year (if any)				0
Other Adjustments				0
Balance available for use in Future Years		0		0

# Income Tax/PILs Workform for 2025 Filers

Schedule 8 CCA - Test Year

(1) Class	Class Description	Working Paper Reference	(2) Undepreciated Capital Cost (UCC) at the beginning of the year	(3) Cost of acquisition during the year (new property must be available for use, except CWR)	(4) Cost of disposals from column 3 that are designated as capital property (DEP)	(5) Adjustments and transfers (net amount) that reduce the UCC as follows:	(6) Amount from column 5 that is assistance received for a property subsequent to its disposition	(7) Amount from column 3 that is repaid during the year for a property subsequent to its disposition	(8) Proceeds of disposals	(9) Proceeds of disposals of the DEP (net amount from column 8 that relates to the DEP reported in column 4)	(10) UCC (column 2 plus or minus column 5 minus column 8)	(11) UCC of the DEP (net amount from column 10 minus the DEP reported in column 4)	(12) Increase or decrease	(13) Cost of Acquisition or Residuals of Class (column 10 plus column 11 minus column 12)	(14) Cost of equipment from column 13 or enhanced investment incentive properties (CPI) included in Classes 54 to 56	(15) Remaining UCC (column 10 minus column 12 (if negative, enter "0"))	(16) Proceeds of disposals available to reduce the UCC of AIP and property included in Classes 54 to 56 (column 5 minus column 6 plus column 14 minus column 7) (if negative, enter "0")	(17) Net capital cost additions of AIP and property included in Classes 54 to 56 acquired during the year (column 16 (if negative, enter "0"))	Relevant factor?	(18) UCC adjustment for AIP and property included in Classes 54 to 56 acquired during the year (column 17 multiplied by the relevant factor)	(19) UCC adjustment for non-AIP and property included in Classes 54 to 56 (if multiplied by the result of column 18 minus column 17 minus column 8 plus column 9) (if negative, enter "0")	(20) CCA Rate %	(21) Recapture of CCA	(22) Terminal Loss	(23) Declining balance method, the result of column 15 plus column 18, multiplied by column 20 or a lower amount	(24) UCC at the end of the test year (column 10 minus column 23 plus column 12)	
1	Buildings, Distribution System (acq'd post 1987)	BS	\$ 14,638,472								\$ 14,638,472			\$ 14,638,472								4%			\$ 585,539	#####	
2	Non-Residential Buildings (Pre-1987/1987-13 selection)	BS	\$ 3,896,106	750,000							\$ 3,896,106			\$ 3,896,106									4%			\$ 211,268	\$ 6,647,364
3	Buildings (acq'd pre 1987)	BS																				4%				\$ -	\$ -
4	Certain Buildings, Fences	BS																				4%				\$ -	\$ -
8	General Office Equipment, Furniture, Fixtures	BS	\$ 285,259	25,000							\$ 285,259			\$ 285,259									20%			\$ 58,092	\$ 232,267
10.3	Motor Vehicles, Fleet	BS	\$ 4,058,856	350,000							\$ 4,058,856			\$ 4,058,856									30%			\$ 1,211,142	\$ 11,099,694
10.9	Certain Automobiles	BS																				30%				\$ -	\$ -
12	Computer Acquisition, Software (Non-Systems)	BS		1,042,252							\$ 1,042,252			\$ 1,042,252								NA				\$ 1,042,252	\$ -
13	Lease # 1	BS																				NA				\$ -	\$ -
13	Lease # 2	BS																				NA				\$ -	\$ -
13	Lease # 3	BS																				NA				\$ -	\$ -
14	Limited Period Patents, Franchises, Concessions or Licences	BS																				NA				\$ -	\$ -
14.4	Eligible Capital Property (acq'd pre Jan 1, 2015)	BS																				NA				\$ -	\$ -
14.4	Eligible Capital Property (acq'd post Jan 1, 2015)	BS																				NA				\$ -	\$ -
17	Eligible Generation Equip. (Non-Eligible acq'd post Feb 27/99), Roads, Lots, Storage	BS	\$ 64,700	25,700							\$ 64,700			\$ 64,700									4%			\$ 5,381	\$ 74,759
43	Certain Clean Energy/Energy Efficient Generation Equipment	BS																				30%				\$ -	\$ -
43.2	Certain Clean Energy/Energy Efficient Generation Equipment	BS																				30%				\$ -	\$ -
44	Computer & System Software (acq'd post Mar 22/98 and pre Mar 18/97)	BS																				4%				\$ -	\$ -
46	Data Network Infrastructure Equipment (acq'd post Mar 22/98)	BS																				30%				\$ -	\$ -
47	Distribution System (acq'd post Feb 22/98)	BS	\$ 17,150,812	11,847,045							\$ 17,150,812			\$ 17,150,812									4%			\$ 1,979,009	#####
48	General Office Equipment (acq'd post Mar 18/97)	BS	\$ 203,261	631,484							\$ 203,261			\$ 203,261									20%			\$ 48,100	\$ 681,161
49	CWR	BS	\$ 80,000								\$ 80,000			\$ 80,000									4%			\$ -	\$ 80,000
TOTALS			\$ 67,647,268	\$ 14,610,890	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,258,258	\$ -	\$ -	\$ 14,610,890	\$ 13,836,148	\$ 72,258,258	\$ -	\$ -	\$ 13,836,148	\$ -	\$ -	387,878	\$ -	\$ -	\$ 7,128,792	\$ 84,129,466	

# Income Tax/PILs Workform for 2025 Filers

## Schedule 13 Tax Reserves - Test Year

### Continuity of Reserves

Description	Working Paper Reference	Bridge Year	Eliminate Amounts Not Relevant for Test Year	Adjusted Utility Balance	Test Year Adjustments		Balance for Test Year	Change During the Year	Disallowed Expenses
					Additions	Disposals			
Capital Gains Reserves ss.40(1)	B13	0		0			0	0	
<b>Tax Reserves Not Deducted for accounting purposes</b>									
Reserve for doubtful accounts ss. 20(1)(l)	B13	0		0			0	0	
Reserve for goods and services not delivered ss. 20(1)(m)	B13	0		0			0	0	
Reserve for unpaid amounts ss. 20(1)(n)	B13	0		0			0	0	
Debt & Share Issue Expenses ss. 20(1)(e)	B13	0		0			0	0	
Other tax reserves	B13	0		0			0	0	
		0		0			0	0	
		0		0			0	0	
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>I1</b>	<b>0</b>	<b>0</b>	<b>I1</b>	<b>0</b>
<b>Financial Statement Reserves (not deductible for Tax Purposes)</b>									
General Reserve for Inventory Obsolescence (non-specific)	B13	0		0			0	0	
General reserve for bad debts	B13	0		0			0	0	
Accrued Employee Future Benefits:	B13	153,990		153,990			153,990	0	
- Medical and Life Insurance	B13	0		0			0	0	
-Short & Long-term Disability	B13	0		0			0	0	
-Accumulated Sick Leave	B13	0		0			0	0	
- Termination Cost	B13	0		0			0	0	
- Other Post-Employment Benefits	B13	0		0			0	0	
Provision for Environmental Costs	B13	0		0			0	0	
Restructuring Costs	B13	0		0			0	0	
Accrued Contingent Litigation Costs	B13	0		0			0	0	
Accrued Self-Insurance Costs	B13	0		0			0	0	
Other Contingent Liabilities	B13	0		0			0	0	
Bonuses Accrued and Not Paid Within 180 Days of Year-End ss. 78(4)	B13	0		0			0	0	
Unpaid Amounts to Related Person and Not Paid Within 3 Taxation Years ss. 78(1)	B13	0		0			0	0	
Other	B13	0		0			0	0	
		0		0			0	0	
		0		0			0	0	
<b>Total</b>		<b>153,990</b>	<b>0</b>	<b>153,990</b>	<b>I1</b>	<b>0</b>	<b>153,990</b>	<b>I1</b>	<b>0</b>

Attachment 6-C  
EPLC 2022 Tax Return

# T2 Corporation Income Tax Return

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

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

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

For more information see [canada.ca/taxes](http://canada.ca/taxes) or Guide T4012, T2 Corporation – Income Tax Guide.

**055 Do not use this area**

<b>Identification</b>	
<b>Business number (BN)</b> 001 86953 5435 RC0001	
<b>002 Corporation's name</b> Essex Power Corporation	<b>To which tax year does this return apply?</b> Tax year start: 060 2022-01-01 Tax year-end: 061 2022-12-31
<b>Address of head office</b> Has this address changed since the last time the CRA was notified? 010 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 011 to 018. 011 2730 Highway 3 012 City: 015 Oldcastle Province, territory, or state: 016 ON Country (other than Canada): 017 Postal or ZIP code: 018 NOR 1L0	<b>Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060?</b> 063 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, provide the date control was acquired: 065 Year Month Day
<b>Mailing address</b> (if different from head office address) Has this address changed since the last time the CRA was notified? 020 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 021 to 028. 021 c/o 022 2730 Highway 3 023 City: 025 Oldcastle Province, territory, or state: 026 ON Country (other than Canada): 027 Postal or ZIP code: 028 NOR 1L0	<b>Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)?</b> 066 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Is the corporation a professional corporation that is a member of a partnership?</b> 067 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Is this the first year of filing after:</b> Incorporation? 070 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Amalgamation? 071 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 030 to 038 and attach Schedule 24.
<b>Location of books and records</b> (if different from head office address) Has this address changed since the last time the CRA was notified? 030 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete lines 031 to 038. 031 032 City: 035 Province, territory, or state: 036 Country (other than Canada): 037 Postal or ZIP code: 038	<b>Has there been a wind-up of a subsidiary under section 88 during the current tax year?</b> 072 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete and attach Schedule 24. <b>Is this the final tax year before amalgamation?</b> 076 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>Is this the final return up to dissolution?</b> 078 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> <b>If an election was made under section 261, state the functional currency used</b> 079
<b>040 Type of corporation at the end of the tax year</b> (tick one) <input checked="" type="checkbox"/> 1 Canadian-controlled private corporation (CCPC) <input type="checkbox"/> 2 Other private corporation <input type="checkbox"/> 3 Public corporation <input type="checkbox"/> 4 Corporation controlled by a public corporation <input type="checkbox"/> 5 Other corporation (specify) If the type of corporation changed during the tax year, provide the effective date of the change: 043 Year Month Day	<b>Is the corporation a resident of Canada?</b> 080 Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> If no, give the country of residence on line 081 and complete and attach Schedule 97. 081 <b>Is the non-resident corporation claiming an exemption under an income tax treaty?</b> 082 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> If yes, complete and attach Schedule 91. <b>If the corporation is exempt from tax under section 149, tick one of the following boxes:</b> 085 <input type="checkbox"/> 1 Exempt under paragraph 149(1)(e) or (l) <input type="checkbox"/> 2 Exempt under paragraph 149(1)(j) <input type="checkbox"/> 4 Exempt under other paragraphs of section 149
<b>Do not use this area</b>	
<b>095</b>	<b>096</b>
<b>898</b>	

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

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

**Attachments (continued)**

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

**Additional information**

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	<input checked="" type="checkbox"/>	Yes	<input type="checkbox"/>	No
Is the corporation inactive?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
What is the corporation's main revenue-generating business activity? . . . . . 913910 Other Local, Municipal and Regional Public Administration				
Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	<b>284</b>	Corporate services & financial	<b>285</b>	100.000 %
	<b>286</b>		<b>287</b>	%
	<b>288</b>		<b>289</b>	%
Did the corporation immigrate to Canada during the tax year?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Did the corporation emigrate from Canada during the tax year?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Do you want to be considered as a quarterly instalment remitter if you are eligible?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	<b>294</b>		Year Month Day	
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No

**Taxable income**

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL	<b>300</b>	1,912,657	A
<b>Deduct:</b>			
Charitable donations from Schedule 2	<b>311</b>	48,940	
Cultural gifts from Schedule 2	<b>313</b>		
Ecological gifts from Schedule 2	<b>314</b>		
Gifts of medicine made before March 22, 2017, from Schedule 2	<b>315</b>		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	<b>320</b>	1,827,709	
Part VI.1 tax deduction*	<b>325</b>		
Non-capital losses of previous tax years from Schedule 4	<b>331</b>		
Net capital losses of previous tax years from Schedule 4	<b>332</b>		
Restricted farm losses of previous tax years from Schedule 4	<b>333</b>		
Farm losses of previous tax years from Schedule 4	<b>334</b>		
Limited partnership losses of previous tax years from Schedule 4	<b>335</b>		
Taxable capital gains or taxable dividends allocated from a central credit union	<b>340</b>		
Prospector's and grubstaker's shares	<b>350</b>		
Employer deduction for non-qualified securities	<b>352</b>		
		Subtotal	1,876,649 B
		Subtotal (amount A minus amount B) (if negative, enter "0")	36,008 C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	<b>355</b>		D
<b>Taxable income</b> (amount C plus amount D)	<b>360</b>	36,008	
<b>Taxable income</b> for the year from a personal services business			Z.1

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



**Small business deduction**

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

Income eligible for the small business deduction from Schedule 7	400	84,948	A
Taxable income from line 360 on page 3, <b>minus</b> 100/28 ( 3.57143 ) of the amount on line 632* on page 8, <b>minus</b> 4 times the amount on line 636** on page 8, and <b>minus</b> any amount that, because of federal law, is exempt from Part I tax	405	36,008	B
Business limit (see notes 1 and 2 below)	410		C

**Notes:**

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

**Business limit reduction**

**Taxable capital business limit reduction for tax years starting before April 7, 2022**

Amount C \_\_\_\_\_ x **415** \*\*\* 169,451 D = \_\_\_\_\_ E1  
11,250

**Taxable capital business limit reduction for tax years starting after April 6, 2022**

Amount C \_\_\_\_\_ x **415** \*\*\* 169,451 D = \_\_\_\_\_ E2  
90,000

Amount E1 or amount E2, whichever applies \_\_\_\_\_ ► \_\_\_\_\_ E3

**Passive income business limit reduction**

Adjusted aggregate investment income from Schedule 7 \*\*\*\* **417** 50,000 - 50,000 = .. \_\_\_\_\_ F

Amount C \_\_\_\_\_ x Amount F \_\_\_\_\_ = \_\_\_\_\_ G  
100,000

The greater of amount E3 and amount G **422** \_\_\_\_\_ H

Reduced business limit (amount C **minus** amount H) (if negative, enter "0") \_\_\_\_\_ **426** \_\_\_\_\_ I

Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below) \_\_\_\_\_ J

**Reduced business limit after assignment** (amount I **minus** amount J) \_\_\_\_\_ **428** \_\_\_\_\_ K

**Small business deduction** – Amount A, B, C, or K, whichever is the least . . . . x 19 % = **430** \_\_\_\_\_

Enter amount from line 430 at amount K on page 8.

- \* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.
- \*\* Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

**\*\*\* Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year **minus** \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **current** year **minus** \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

\*\*\*\* Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.

**Small business deduction (continued)**

**Specified corporate income and assignment under subsection 125(3.2)**

L1 Name of corporation receiving the income and assigned amount	L Business number of the corporation receiving the assigned amount	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L <sup>3</sup>	N Business limit assigned to corporation identified in column L <sup>4</sup>
	<b>490</b>	<b>500</b>	<b>505</b>
1.			

Total **510** \_\_\_\_\_ Total **515** \_\_\_\_\_

**Notes:**

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

**General tax reduction for Canadian-controlled private corporations**

**Canadian-controlled private corporations throughout the tax year**

Taxable income from line 360 on page 3		36,008	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			B
Amount 13K from Part 13 of Schedule 27			C
Personal services business income	432		D
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least			E
Aggregate investment income from line 440 on page 6*			F
Subtotal (add amounts B to F)			G
Amount A minus amount G (if negative, enter "0")		36,008	H
<b>General tax reduction for Canadian-controlled private corporations – Amount H multiplied by 13 %</b>		4,681	I

Enter amount I on line 638 on page 8.

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

**General tax reduction**

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

Taxable income from line 360 on page 3			J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			K
Amount 13K from Part 13 of Schedule 27			L
Personal services business income	434		M
Subtotal (add amounts K to M)			N
Amount J minus amount N (if negative, enter "0")			O
<b>General tax reduction – Amount O multiplied by 13 %</b>			P

Enter amount P on line 639 on page 8.

**Refundable portion of Part I tax**

**Canadian-controlled private corporations throughout the tax year**

Aggregate investment income from Schedule 7	440	x	30 2 / 3 %	=		A	
Foreign non-business income tax credit from line 632 on page 8						B	
Foreign investment income from Schedule 7	445	x	8 %	=		C	
Subtotal (amount B minus amount C) (if negative, enter "0")						D	
Amount A minus amount D (if negative, enter "0")						E	
Taxable income from line 360 on page 3					36,008	F	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least						G	
Foreign non-business income tax credit from line 632 on page 8		x	75 / 29	=		H	
Foreign business income tax credit from line 636 on page 8		x	4	=		I	
Subtotal (add amounts G to I)						J	
Subtotal (amount F minus amount J)					36,008	K	
				x	30 2 / 3 %	=	11,042 L
Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)						5,401 M	
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least						450 N	

**Refundable dividend tax on hand**

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460	
Dividend refund for the previous tax year	465	
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480	
Subtotal (line 460 <b>minus</b> line 465 <b>plus</b> line 480)		A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)		B
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)		C
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)		D
Subtotal (amount C <b>minus</b> amount D) (if negative, enter "0")		E
Net GRIP at the end of the previous tax year (amount B <b>minus</b> amount E) (if negative, enter "0")		F
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53)		G
Subtotal (amount F <b>plus</b> amount G)		H
Amount H <b>multiplied</b> by 38 1 / 3 %		I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)	520	J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A <b>minus</b> amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0")	535	K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)		L
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)		M
Subtotal (amount L <b>plus</b> amount M)		N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	525	O
ERDTOH dividend refund for the previous tax year	570	P
Refundable portion of Part I tax (from line 450 on page 6)		Q
Part IV tax before deductions (amount 2A from Schedule 3)		R
Part IV tax allocated to ERDTOH (amount N)		S
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)		T
Subtotal (amount R <b>minus</b> total of amounts S and T)		U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	540	V
NERDTOH dividend refund for the previous tax year	575	W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)		X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U <b>minus</b> amount X) (if negative enter "0")		Y
<b>NERDTOH at the end of the tax year</b> (total of amounts K, Q, V, and Y <b>minus</b> amount W) (if negative, enter "0")	545	
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N <b>minus</b> the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")		Z
<b>ERDTOH at the end of the tax year</b> (total of amounts J, O, and Z <b>minus</b> amount P) (if negative, enter "0")	530	

**Dividend refund**

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)		AA
ERDTOH balance at the end of the tax year (line 530)		BB
<b>Eligible dividend refund</b> (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	700,622	DD
NERDTOH balance at the end of the tax year (line 545)		EE
<b>Non-eligible dividend refund</b> (amount DD or EE, whichever is less)		FF
Amount DD <b>minus</b> amount EE (if negative, enter "0")	700,622	GG
Amount BB <b>minus</b> amount CC (if negative, enter "0")		HH
<b>Additional non-eligible dividend refund</b> (amount GG or HH, whichever is less)		II
<b>Dividend refund</b> – Amount CC <b>plus</b> amount FF <b>plus</b> amount II		JJ
Enter amount JJ on line 784 on page 9.		

**Part I tax**

Base amount Part I tax – Taxable income (from line 360 on page 3) multiplied by 38 %	550	13,683	A
<b>Additional tax on personal services business income</b> (section 123.5)			
Taxable income from a personal services business	555	x 5 % = 560	B
Additional tax on banks and life insurers from Schedule 68	565		C
Recapture of investment tax credit from Schedule 31	602		D
<b>Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income</b> (if it was a CCPC throughout the tax year)			
Aggregate investment income from line 440 on page 6			E
Taxable income from line 360 on page 3	36,008		F
<b>Deduct:</b>			
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least			G
Net amount (amount F minus amount G)	36,008	36,008	H
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount E or amount H	604		I
Subtotal (add amounts A, B, C, D, and I)		13,683	J
<b>Deduct:</b>			
Small business deduction from line 430 on page 4			K
Federal tax abatement	608	3,601	
Manufacturing and processing profits deduction and zero-emission technology manufacturing deduction from Schedule 27	616		
Investment corporation deduction	620		
Taxed capital gains	624		
Federal foreign non-business income tax credit from Schedule 21	632		
Federal foreign business income tax credit from Schedule 21	636		
General tax reduction for CCPCs from amount I on page 5	638	4,681	
General tax reduction from amount P on page 5	639		
Federal logging tax credit from Schedule 21	640		
Eligible Canadian bank deduction under section 125.21	641		
Federal qualifying environmental trust tax credit	648		
Investment tax credit from Schedule 31	652		
Subtotal		8,282	L
<b>Part I tax payable</b> – Amount J minus amount L		5,401	M
Enter amount M on line 700 on page 9.			

**Privacy notice**

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

**Summary of tax and credits**

**Federal tax**

Part I tax payable from amount M on page 8	700	5,401
Part III.1 tax payable from Schedule 55	710	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part VI.2 tax payable from Schedule 67	725	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	

Total federal tax 5,401

**Add provincial or territorial tax:**

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

Net provincial or territorial tax payable (except Quebec and Alberta) **760** 4,141

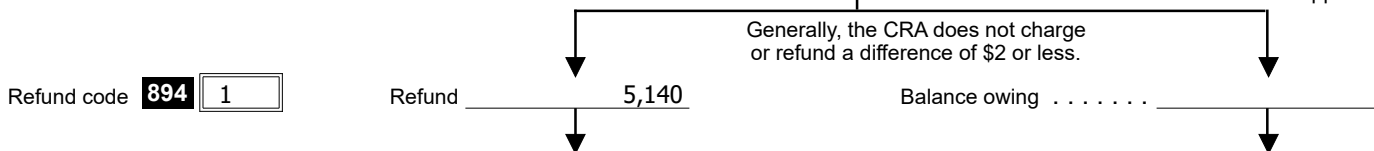
Total tax payable **770** 9,542 A

**Deduct other credits:**

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount JJ on page 7	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Return of fuel charge proceeds to farmers tax credit from Schedule 63	795	
Canadian film or video production tax credit (Form T1131)	796	
Film or video production services tax credit (Form T1177)	797	
Canadian journalism labour tax credit from Schedule 58	798	
Air quality improvement tax credit from Schedule 65	799	
Tax withheld at source	800	
Total payments on which tax has been withheld	<b>801</b>	
Provincial and territorial capital gains refund from Schedule 18	808	
Provincial and territorial refundable tax credits from Schedule 5	812	
Tax instalments paid	840	14,682
Total credits	<b>890</b>	<u>14,682</u> B

Balance (amount A minus amount B) -5,140

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



For information on how to enrol for direct deposit, go to [canada.ca/cra-direct-deposit](http://canada.ca/cra-direct-deposit).

For information on how to make your payment, go to [canada.ca/payments](http://canada.ca/payments).

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

If this return was prepared by a tax preparer for a fee, provide their EFILE number **920** C5622

**Certification**

I, **950** Avdoulos **951** John **954** President  
Last name First name Position, office, or rank

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

**955** 2023-05-31 **956** (519) 946-2002  
Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation Telephone number

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

**958** Maxim Picco **959** (519) 946-2002  
Name of other authorized person Telephone number

**Language of correspondence – Langue de correspondance**

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

Separate Financial Information of

**ESSEX POWER  
CORPORATION**

And Compilation Engagement Report thereon

Year ended December 31, 2022



KPMG LLP  
618 Greenwood Centre  
3200 Deziel Drive  
Windsor ON N8W 5K8  
Canada  
Tel 519-251-3500  
Fax 519-251-3530

## COMPILATION ENGAGEMENT REPORT

To the Management of Essex Power Corporation

On the basis of information provided by management, we have compiled the separate balance sheet of Essex Power Corporation as at December 31, 2022, the separate statements of comprehensive income and changes in equity for the year then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled separate financial information and other explanatory information ("financial information").

Management is responsible for the accompanying financial information, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial information.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial information.

Readers are cautioned that the financial information may not be appropriate for their purposes.

A handwritten signature in black ink that reads 'KPMG LLP' in a cursive, slightly slanted font. A horizontal line is drawn underneath the signature.

Chartered Professional Accountants, Licensed Public Accountants

Windsor, Canada

April 26, 2023



# ESSEX POWER CORPORATION

## Separate Balance Sheet

December 31, 2022, with comparative information for 2021

	2022	2021
<b>Assets</b>		
Current assets:		
Cash	\$ 154,732	\$ 1,049,297
Accounts receivable	58,078	112,273
Income taxes receivable	5,182	-
Prepaid expenses	48,646	45,934
Due from related parties	6,463,485	5,642,933
Dividend receivable	1,827,709	1,801,709
	<u>8,557,832</u>	<u>8,652,146</u>
Investment in subsidiaries	16,654,360	16,654,360
Property, plant and equipment	201,039	48,820
Intangible assets	25,949	357
Deferred tax assets	57,100	74,400
Right of use assets	116,587	-
	<u>\$ 25,612,867</u>	<u>\$ 25,430,083</u>
<b>Liabilities and Shareholders' Equity</b>		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 151,204	\$ 137,669
Income taxes payable	-	4,471
Dividends payable	1,827,709	1,801,709
Current portion of finance lease liability	118,520	-
	<u>2,097,433</u>	<u>1,943,849</u>
Employee future benefits	278,366	317,105
Shareholders' equity:		
Share capital	19,667,300	19,667,300
Accumulated other comprehensive income	309,914	271,154
Retained earnings	3,259,854	3,230,675
	<u>23,237,068</u>	<u>23,169,129</u>
	<u>\$ 25,612,867</u>	<u>\$ 25,430,083</u>

See accompanying note to separate financial information.

# ESSEX POWER CORPORATION

## Separate Statement of Comprehensive Income

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Revenue:		
Service fees	\$ 2,041,164	\$ 1,640,919
Other income	81,583	19,946
	<u>2,122,747</u>	<u>1,660,865</u>
Expenses:		
Administration and general	2,062,745	1,631,336
Depreciation and amortization	15,840	9,764
	<u>2,078,585</u>	<u>1,641,100</u>
Income from operations	44,162	19,765
Other income (expense):		
Dividend income	1,827,709	1,801,709
Finance income	6,530	1,800
Finance costs	(8,763)	(2,033)
	<u>1,825,476</u>	<u>1,801,476</u>
Income before income tax	1,869,638	1,821,241
Income tax expense (recovery):		
Current	9,500	4,225
Future	3,250	(7,000)
	<u>12,750</u>	<u>(2,775)</u>
Net income	1,856,888	1,824,016
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Gain on remeasurement of post-employment benefits	52,810	14,474
Tax on remeasurement	(14,050)	(3,800)
	<u>38,760</u>	<u>10,674</u>
Total comprehensive income for the year	<u>\$ 1,895,648</u>	<u>\$ 1,834,690</u>

See accompanying note to separate financial information.

# ESSEX POWER CORPORATION

## Separate Statement of Changes in Equity

Year ended December 31, 2022, with comparative information for 2021

	Share capital	Retained earnings	Accumulated other comprehensive income	Total
Balance - January 1, 2021	\$ 19,667,300	\$ 3,208,368	\$ 260,480	\$ 23,136,148
Net income	-	1,824,016	-	1,824,016
Other comprehensive loss	-	-	10,674	10,674
Dividends	-	(1,801,709)	-	(1,801,709)
Balance December 31, 2021	19,667,300	3,230,675	271,154	23,169,129
Net income	-	1,856,888	-	1,856,888
Other comprehensive income	-	-	38,760	38,760
Dividends	-	(1,827,709)	-	(1,827,709)
Balance December 31, 2022	\$ 19,667,300	\$ 3,259,854	\$ 309,914	\$ 23,237,068

# ESSEX POWER CORPORATION

Note to Separate Financial Information

Year ended December 31, 2022

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**1. Basis of accounting:**

The financial information has been prepared on the cash basis of accounting with adjustments for selected accruals and estimates.



# Net Income (Loss) for Income Tax Purposes

## Schedule 1

Corporation's name <b>Essex Power Corporation</b>	Business number <b>86953 5435 RC0001</b>	Tax year-end Year Month Day <b>2022-12-31</b>
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- Use this schedule to reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation – Income Tax Guide.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 ..... **1,895,648** A

**Add:**

Provision for income taxes – current	<b>101</b>	9,500	
Provision for income taxes – deferred	<b>102</b>	17,300	
Interest and penalties on taxes	<b>103</b>	68	
Amortization of tangible assets	<b>104</b>	132,710	
Charitable donations and gifts from Schedule 2	<b>112</b>	48,940	
Non-deductible meals and entertainment expenses	<b>121</b>	4,476	
Subtotal of additions		<b>212,994</b>	<b>212,994</b>

**Add:**

**Other additions:**

	1 Description	2 Amount		
	<b>605</b>	<b>295</b>		
1	Future Benefit Liability	20,000		
2	Interest expense on capital lease	8,763		
	Total of column 2	<b>28,763</b>	<b>296</b>	28,763
	Subtotal of other additions		<b>199</b>	28,763
	Total additions		<b>500</b>	241,757

Amount A plus line 500 ..... **2,137,405** B

**Deduct:**

Capital cost allowance from Schedule 8	<b>403</b>	42,591	
Subtotal of deductions		<b>42,591</b>	<b>42,591</b>

**Deduct:**

Non-taxable/deductible other comprehensive income items	<b>347</b>	52,810	
---	------------	--------	--

**Other deductions:**

	1 Description	2 Amount		
	<b>705</b>	<b>395</b>		
1	Post employment benefit paid	5,929		
2	Capital lease payments	123,418		
	Total of column 2	<b>129,347</b>	<b>396</b>	129,347
	Subtotal of other deductions		<b>499</b>	182,157
	Total deductions		<b>510</b>	224,748

**Net income (loss) for income tax purposes** (amount B minus line 510) ..... **1,912,657** C

Enter amount C on line 300 of the T2 return.

## Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Essex Power Corporation	86953 5435 RC0001	2022-12-31

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

## Part 1 – Charitable donations

Charity/Recipient	Amount (\$100 or more only)
Our Lady Mt Carmel Pris	100
Hospice	100
Windsor Humane Society	140
Copps for Charity	100
The Chasing Hazel Foundation	200
Town of Amherstburg	10,000
Town of LaSalle	10,000
Municipality of Leamington	10,000
Park Wood	100
Town Of Tecumseh	10,000
Greater Essex County District School Board	1,000
Cardinal Carter Catholic Secondary School	500
Leamington District Secondary School	500
L'Essor Secondaire Catholique	500
Tecumseh Vista Academy	500
Alzheimer Society of Windsor & Essex	100
Amherstburg Food and Fellowship	1,000
The Salvation Army Food Bank	1,000
Tecumseh Good Fellows	1,000
St. Andrews Church LaSalle Food	1,000
The Bridge - Youth Resource Centre	500
LaSalle Hangout For Youth	500
The Rotary Club of Essex Foundation	100
	Subtotal 48,940
	<b>Add:</b> Total donations of less than \$100 each
	Total donations in current tax year <u>48,940</u>

**Part 1 – Charitable donations**

	Federal	Québec	Alberta
Charitable donations at the end of the previous tax year		1A	
Charitable donations expired after five tax years*	<b>239</b>		
Charitable donations at the beginning of the current tax year (amount 1A <b>minus</b> line 239)	<b>240</b>		
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	<b>250</b>		
<b>Total charitable donations made in the current year</b> (include this amount on line 112 of Schedule 1, Net Income (Loss) for Income Tax Purposes)	<b>210</b> 48,940	48,940	48,940
Subtotal (line 250 <b>plus</b> line 210)	48,940	1B 48,940	48,940
Subtotal (line 240 <b>plus</b> amount 1B)	48,940	1C 48,940	48,940
Adjustment for an acquisition of control	<b>255</b>		
<b>Total charitable donations available (amount 1C <b>minus</b> line 255)</b>	48,940	1D 48,940	48,940
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2) (enter this amount on line 311 of the T2 return)	<b>260</b> 48,940	48,940	48,940
Charitable donations closing balance (amount 1D <b>minus</b> line 260)	<b>280</b>		
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)	<b>262</b>		
Ontario community food program donation tax credit for farmers (amount on line 262 <b>multiplied</b> by 25 %)			1
Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).			
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)	<b>263</b>		
Nova Scotia food bank tax credit for farmers (amount on line 263 <b>multiplied</b> by 25 %)			2
Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.			
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024)	<b>265</b>		
British Columbia farmers' food donation tax credit (amount on line 265 <b>multiplied</b> by 25 %)			3

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

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



**Amounts carried forward – Charitable donations**

Year of origin:		Federal	Québec	Alberta
1 <sup>st</sup> prior year	2021-12-31			
2 <sup>nd</sup> prior year	2020-12-31			
3 <sup>rd</sup> prior year	2019-12-31			
4 <sup>th</sup> prior year	2018-12-31			
5 <sup>th</sup> prior year	2017-12-31			
6 <sup>th</sup> prior year*	2016-12-31			
7 <sup>th</sup> prior year	2015-12-31			
8 <sup>th</sup> prior year	2014-12-31			
9 <sup>th</sup> prior year	2013-12-31			
10 <sup>th</sup> prior year	2012-12-31			
11 <sup>th</sup> prior year	2011-12-31			
12 <sup>th</sup> prior year	2010-12-31			
13 <sup>th</sup> prior year	2009-12-31			
14 <sup>th</sup> prior year	2008-12-31			
15 <sup>th</sup> prior year	2007-12-31			
16 <sup>th</sup> prior year	2006-12-31			
17 <sup>th</sup> prior year	2005-12-31			
18 <sup>th</sup> prior year	2004-12-31			
19 <sup>th</sup> prior year	2003-12-31			
20 <sup>th</sup> prior year	2002-12-31			
21 <sup>st</sup> prior year*	2001-12-31			
<b>Total</b> (to line A)				

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

**Part 2 – Maximum allowable deduction for charitable donations**

Net income for tax purposes <sup>Note 1</sup> multiplied by 75 %		1,434,493	2A
Taxable capital gains arising in respect of gifts of capital property included in Part 1 <sup>Note 2</sup>	225		
Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)	227		
The amount of the recapture of capital cost allowance in respect of charitable donations	230		
Proceeds of disposition, <b>less</b> outlays and expenses <sup>Note 2</sup>		2B	
Capital cost <sup>Note 2</sup>		2C	
Amount 2B or 2C, whichever is less	235		
Amount on line 230 or 235, whichever is less			2D
			Subtotal (add lines 225, 227, and amount 2D)
			2E
			Amount 2E multiplied by 25 %
			2F
			Subtotal (amount 2A plus amount 2F)
			1,434,493
			2G
<b>Maximum allowable deduction for charitable donations</b> (enter amount 1D from Part 1, amount 2G, or net income for tax purposes, whichever is the least)			48,940
			2H

**Note 1:** For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

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

**Part 3 – Gifts of certified cultural property**

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

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

**Amount carried forward – Gifts of certified cultural property**

Year of origin:	Federal	Québec	Alberta
1 <sup>st</sup> prior year . . . . .	2021-12-31		
2 <sup>nd</sup> prior year . . . . .	2020-12-31		
3 <sup>rd</sup> prior year . . . . .	2019-12-31		
4 <sup>th</sup> prior year . . . . .	2018-12-31		
5 <sup>th</sup> prior year . . . . .	2017-12-31		
6 <sup>th</sup> prior year* . . . . .	2016-12-31		
7 <sup>th</sup> prior year . . . . .	2015-12-31		
8 <sup>th</sup> prior year . . . . .	2014-12-31		
9 <sup>th</sup> prior year . . . . .	2013-12-31		
10 <sup>th</sup> prior year . . . . .	2012-12-31		
11 <sup>th</sup> prior year . . . . .	2011-12-31		
12 <sup>th</sup> prior year . . . . .	2010-12-31		
13 <sup>th</sup> prior year . . . . .	2009-12-31		
14 <sup>th</sup> prior year . . . . .	2008-12-31		
15 <sup>th</sup> prior year . . . . .	2007-12-31		
16 <sup>th</sup> prior year . . . . .	2006-12-31		
17 <sup>th</sup> prior year . . . . .	2005-12-31		
18 <sup>th</sup> prior year . . . . .	2004-12-31		
19 <sup>th</sup> prior year . . . . .	2003-12-31		
20 <sup>th</sup> prior year . . . . .	2002-12-31		
21 <sup>st</sup> prior year* . . . . .	2001-12-31		
<b>Total</b> . . . . .			

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

**Part 4 – Gifts of certified ecologically sensitive land**

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

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

**Amounts carried forward – Gifts of certified ecologically sensitive land**

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date		Federal	Québec	Alberta
Year of origin:				
1 <sup>st</sup> prior year	2021-12-31			
2 <sup>nd</sup> prior year	2020-12-31			
3 <sup>rd</sup> prior year	2019-12-31			
4 <sup>th</sup> prior year	2018-12-31			
5 <sup>th</sup> prior year	2017-12-31			
6 <sup>th</sup> prior year*	2016-12-31			
7 <sup>th</sup> prior year	2015-12-31			
8 <sup>th</sup> prior year	2014-12-31			
9 <sup>th</sup> prior year	2013-12-31			
10 <sup>th</sup> prior year	2012-12-31			
11 <sup>th</sup> prior year*	2011-12-31			
12 <sup>th</sup> prior year	2010-12-31			
13 <sup>th</sup> prior year	2009-12-31			
14 <sup>th</sup> prior year	2008-12-31			
15 <sup>th</sup> prior year	2007-12-31			
16 <sup>th</sup> prior year	2006-12-31			
17 <sup>th</sup> prior year	2005-12-31			
18 <sup>th</sup> prior year	2004-12-31			
19 <sup>th</sup> prior year	2003-12-31			
20 <sup>th</sup> prior year	2002-12-31			
21 <sup>st</sup> prior year*	2001-12-31			
<b>Total</b>				

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

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

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

**Part 5 – Additional deduction for gifts of medicine**

	Federal	Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year		5A	
Additional deduction for gifts of medicine expired after five tax years* . . . <b>639</b>			
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A <b>minus</b> line 639) . . . . . <b>640</b>			
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary . . . . . <b>650</b>			
Additional deduction for gifts of medicine made before March 22, 2017:			
Proceeds of disposition . . . . . <b>602</b>			
Cost of gifts of medicine made before March 22, 2017 . . . . . <b>601</b>			
Subtotal (line 602 <b>minus</b> line 601)		5B	
Amount 5B <b>multiplied by</b> 50 % . . . . . 5C			
Eligible amount of gifts . . . . . <b>600</b>			
			Additional deduction for gifts of medicine made before March 22, 2017 . . . . . <b>610</b>
<b>Federal</b>			
a _____ x $\left( \frac{b}{c} \right)$ =			
<b>Québec</b>			Additional deduction for gifts of medicine made before March 22, 2017 . . . . .
a _____ x $\left( \frac{b}{c} \right)$ =			
<b>Alberta</b>			Additional deduction for gifts of medicine made before March 22, 2017 . . . . .
a _____ x $\left( \frac{b}{c} \right)$ =			
where:			
<b>a</b> is the <b>lesser</b> of line 601 and amount 5C			
<b>b</b> is the eligible amount of gifts (line 600)			
<b>c</b> is the proceeds of disposition (line 602)			
		Subtotal (line 650 <b>plus</b> line 610)	5D
		Subtotal (line 640 <b>plus</b> amount 5D)	5E
Adjustment for an acquisition of control . . . . . <b>655</b>			
Amount applied in the current year against taxable income . . . . . <b>660</b>			
(enter this amount on line 315 of the T2 return)			
Subtotal (line 655 <b>plus</b> line 660)		5F	
Additional deduction for gifts of medicine closing balance (amount 5E <b>minus</b> amount 5F) . . . . . <b>680</b>			

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

**Amounts carried forward – Additional deduction for gifts of medicine**

Year of origin:		Federal	Québec	Alberta
1 <sup>st</sup> prior year	2021-12-31			
2 <sup>nd</sup> prior year	2020-12-31			
3 <sup>rd</sup> prior year	2019-12-31			
4 <sup>th</sup> prior year	2018-12-31			
5 <sup>th</sup> prior year	2017-12-31			
6 <sup>th</sup> prior year*	2016-12-31			
7 <sup>th</sup> prior year	2015-12-31			
8 <sup>th</sup> prior year	2014-12-31			
9 <sup>th</sup> prior year	2013-12-31			
10 <sup>th</sup> prior year	2012-12-31			
11 <sup>th</sup> prior year	2011-12-31			
12 <sup>th</sup> prior year	2010-12-31			
13 <sup>th</sup> prior year	2009-12-31			
14 <sup>th</sup> prior year	2008-12-31			
15 <sup>th</sup> prior year	2007-12-31			
16 <sup>th</sup> prior year	2006-12-31			
17 <sup>th</sup> prior year	2005-12-31			
18 <sup>th</sup> prior year	2004-12-31			
19 <sup>th</sup> prior year	2003-12-31			
20 <sup>th</sup> prior year	2002-12-31			
21 <sup>st</sup> prior year*	2001-12-31			
<b>Total</b>				

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

**Québec – Gifts of musical instruments**

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

**Amounts carried forward – Gifts of musical instruments**

Year of origin:		Québec
1 <sup>st</sup> prior year	2021-12-31	
2 <sup>nd</sup> prior year	2020-12-31	
3 <sup>rd</sup> prior year	2019-12-31	
4 <sup>th</sup> prior year	2018-12-31	
5 <sup>th</sup> prior year	2017-12-31	
6 <sup>th</sup> prior year*	2016-12-31	
7 <sup>th</sup> prior year	2015-12-31	
8 <sup>th</sup> prior year	2014-12-31	
9 <sup>th</sup> prior year	2013-12-31	
10 <sup>th</sup> prior year	2012-12-31	
11 <sup>th</sup> prior year	2011-12-31	
12 <sup>th</sup> prior year	2010-12-31	
13 <sup>th</sup> prior year	2009-12-31	
14 <sup>th</sup> prior year	2008-12-31	
15 <sup>th</sup> prior year	2007-12-31	
16 <sup>th</sup> prior year	2006-12-31	
17 <sup>th</sup> prior year	2005-12-31	
18 <sup>th</sup> prior year	2004-12-31	
19 <sup>th</sup> prior year	2003-12-31	
20 <sup>th</sup> prior year	2002-12-31	
21 <sup>st</sup> prior year*	2001-12-31	
<b>Total</b>		

\* These gifts expired in the current year.

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

Corporation's name <b>Essex Power Corporation</b>	Business number <b>86953 5435 RC0001</b>	Tax year-end Year Month Day <b>2022-12-31</b>
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- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations (as defined in subsection 186(3)).
- A payer corporation is **connected** with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends were received from a foreign source.  
Column F1 – Enter the code that applies to the deductible taxable dividend.

**Part 1 – Dividends received in the tax year**

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, H.1, I, I.1, I.2 and L **only** if the payer corporation is **connected**.

**Important instructions to follow if the payer corporation is connected**

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the **special calculations provided in the notes**.

	A Name of payer corporation (from which the corporation received the dividend)	A1	B Enter 1 if payer corporation is <b>connected</b>	C Business number of <b>connected</b> corporation	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD	E Non-taxable dividends under section 83
	<b>200</b>		<b>205</b>	<b>210</b>	<b>220</b>	<b>230</b>
1	Essex Powerlines Corporation		1	87006 6529 RC0001	2022-12-31	
2	Essex Energy Corporation		1	87007 1123 RC0002	2022-12-31	
3			2			

**Total of column E** (enter amount on line 402 of Schedule 1)

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

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1), (b), or (d) <sup>1</sup>	F1	G Eligible dividends included in column F	H Total taxable dividends paid by the <b>connected</b> payer corporation (line 460 in Schedule 3 for the tax year in column D)	H.1 Total eligible dividends paid by the <b>connected</b> payer corporation (line 465 in Schedule 3 for the tax year in column D)	I Dividend refund of the <b>connected</b> payer corporation (for tax year in column D) <sup>2</sup>
	<b>240</b>		<b>242</b>	<b>250</b>		<b>260</b>
1	1,827,709	1		1,827,709		
2		1				
3						

	I.1 Eligible dividend refund of the <b>connected</b> payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (amount CC from T2 return for the tax year in column D)	I.2 Additional non-eligible dividend refund of the <b>connected</b> payer corporation from its ERDTOH (amount II from T2 return for the tax year in column D)	J Part IV tax for eligible dividends. Dividends (from column G) <b>multiplied by</b> 38 1/3% <sup>3</sup>	K Part IV tax before deductions. Dividends (from column F) <b>multiplied by</b> 38 1/3% <sup>4</sup>	L Part IV tax before deductions on taxable dividends received from <b>connected</b> corporations <sup>5</sup>
			<b>265</b>	<b>275</b>	<b>280</b>
1					
2					
3					

**Total of column L** (enter amount on line 2E in Part 2)

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B)	1,827,709	1A
Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B)		1B
Subtotal (amount 1A <b>plus</b> amount 1B, include this amount on line 320 of the T2 return)	1,827,709	1C
Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B)		1D
Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B)		1E
Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B)		1F
Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B)		1G
Subtotal (amount 1F <b>plus</b> amount 1G)	▶	1H
Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B)		1I
Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B)		1J
Subtotal (amount 1I <b>plus</b> amount 1J)	▶	1K
Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H <b>minus</b> amount 1K)		1L

- 1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column K (and column J, if applicable). Life insurers are not subject to Part IV tax on subsection 138(6) dividends.
  - 2 If the **connected** payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.
  - 3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to column I **divided** by column H **multiplied** by column G.
  - 4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to column I **divided** by column H **multiplied** by column F.
  - 5 For the purpose of calculating your eligible refundable dividend tax on hand (ERDTOH), Part IV tax on taxable dividends received from **connected** corporations (with a tax year starting after 2018) is equal to the sum of Part IV tax on eligible dividends and non-eligible dividends received from **connected** corporations to the extent that such dividends caused a dividend refund to those corporations from their ERDTOH.
- Part IV tax before deductions on taxable dividends received from **connected** corporations for purposes of column L is the sum of (i) and (ii), where
- (i) Part IV tax on eligible dividends received from **connected** corporations is equal to amount CC of the **connected** payer corporation (on page 7 of the T2 return) **divided** by line 465 of the **connected** payer corporation, **multiplied** by column G; and
  - (ii) Part IV tax on non-eligible dividends received from **connected** corporations is equal to amount II of the **connected** payer corporation (on page 7 of the T2 return) **divided** by line 470 of the **connected** payer corporation, **multiplied** by the difference between columns F and G.



**Part 2 – Calculation of Part IV tax payable**

Part IV tax on dividends received before deductions (amount 1H in part 1) ..... 2A

Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43) ..... **320**

Subtotal (amount 2A **minus** line 320) ..... 2B

Current-year non-capital loss claimed to reduce Part IV tax ..... **330**

Non-capital losses from previous years claimed to reduce Part IV tax ..... **335**

Current-year farm loss claimed to reduce Part IV tax ..... **340**

Farm losses from previous years claimed to reduce Part IV tax ..... **345**

Total losses applied against Part IV tax (total of lines 330 to 345) ..... 2C

Amount 2C **multiplied by** 38 1 / 3 % ..... 2D

**Part IV tax payable** (amount 2B **minus** amount 2D, if negative enter "0") ..... **360**

(enter amount on line 712 of the T2 return)

**If your tax year begins after 2018**, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations (total of column L in part 1) ..... 2E

Amount 4A from Schedule 43 ..... 2F

**Part IV tax payable on taxable dividends received from connected corporations**  
(amount 2E **minus** amount 2F, if negative enter "0") ..... 2G

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

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

Amount 4C from Schedule 43 ..... 2I

**Part IV tax payable on taxable dividends received from non-connected corporations**  
(amount 2H **minus** amount 2I, if negative enter "0") ..... 2J

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

**Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund**

If your corporation's tax year-end is different than that of the recipient corporation with which you are connected, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

L Name of recipient corporation with which you are connected	M Business number	N Tax year-end of recipient corporation in which the dividends in column O were received YYYYMMDD	O Taxable dividends paid to recipient corporations with which you are connected	P Eligible dividends included in column O
<b>400</b>	<b>410</b>	<b>420</b>	<b>430</b>	<b>440</b>
(Total of column O) (Total of column P)				

**Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)**

Total taxable dividends paid in the tax year to other than connected corporations	<b>450</b>	1,827,709
Eligible dividends included in line 450	<b>455</b>	
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O plus line 450)	<b>460</b>	1,827,709
Total eligible dividends paid in the tax year (total of column P plus line 455)	<b>465</b>	
Total non-eligible taxable dividends paid in the tax year (line 460 minus line 465)	<b>470</b>	1,827,709
Complete this part to determine the following amounts in order to calculate the dividend refund.		
Line 465 multiplied by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)		3A
Line 470 multiplied by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)		700,622 3B

**Part 4 – Total dividends paid in the tax year**

Complete this part if the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)		1,827,709
Other dividends paid in the tax year (total of 510 to 540)		
Total dividends paid in the tax year	<b>500</b>	1,827,709
Dividends paid out of capital dividend account	<b>510</b>	
Capital gains dividends	<b>520</b>	
Dividends paid on shares described in subsection 129(1.2)	<b>530</b>	
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	<b>540</b>	
Subtotal (total of lines 510 to 540)		▶ 4A
<b>Total taxable dividends paid in the tax year that qualify for a dividend refund</b> (Line 500 minus amount 4A)		1,827,709 4B

## Corporation Loss Continuity and Application

Corporation's name <b>Essex Power Corporation</b>	Business number <b>86953 5435 RC0001</b>	Tax year-end Year Month Day <b>2022-12-31</b>
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- Use this form to determine the continuity and use of available losses; to determine a current-year non-capital loss, farm loss, restricted farm loss, or limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that can be applied in a year; and to ask for a loss carryback to previous years.
- A corporation can choose whether or not to deduct an available loss from income in a tax year. The corporation can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the federal Income Tax Act, when control has been acquired, no amount of capital loss incurred for a tax year ending before that time is deductible in computing taxable income in a tax year ending after that time. Also, no amount of capital loss incurred in a tax year ending after that time is deductible in computing taxable income of a tax year ending before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the T2 Corporation – Income Tax Guide.
- File this schedule with the T2 return, or send the schedule by itself to the tax centre where the return is filed.
- All legislative references are to the federal Income Tax Act.

### Part 1 – Non-capital losses

#### Determination of current-year non-capital loss

Net income (loss) for income tax purposes		1,912,657	1A
Net capital losses deducted in the year (enter as a positive amount)	1B		
Taxable dividends deductible under section 112 or subsections 113(1) or 138(6)	1,827,709	1C	
Amount of Part VI.1 tax deductible under paragraph 110(1)(k)	1D		
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)	1E		
Employer deduction for non-qualified securities – Paragraph 110(1)(e)	1F		
Subtotal (total of amounts 1B to 1F)	1,827,709	1,827,709	1G
Subtotal (amount 1A <b>minus</b> amount 1G; if positive, enter "0")			1H
Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions			1I
Subtotal (amount 1H <b>minus</b> amount 1I)			1J
Current-year farm loss (the lesser of: the net loss from farming or fishing included in income and the non-capital loss before deducting the farm loss)			1K
Current-year non-capital loss (amount 1J <b>plus</b> amount 1K; if positive, enter "0")			1L
If amount 1L is negative, enter it on line 110 as a positive.			

#### Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of the previous tax year			1M
Non-capital loss expired ( <b>note 1</b> )	100		
Non-capital losses at the beginning of the tax year (amount 1M <b>minus</b> line 100)	102		
Non-capital losses transferred on an amalgamation or on the wind-up of a subsidiary ( <b>note 2</b> ) corporation	105		
Current-year non-capital loss (from amount 1L)	110		
Subtotal (line 105 <b>plus</b> line 110)			1N
Subtotal (line 102 <b>plus</b> amount 1N)			1O

Note 1: A non-capital loss expires after **20 tax years** and an allowable business investment loss becomes a net capital loss after **10 tax years**.

Note 2: Subsidiary is defined in subsection 88(1) as a taxable Canadian corporation of which 90% or more of each class of issued shares are owned by its parent corporation and the remaining shares are owned by persons that deal at arm's length with the parent corporation.

**Part 1 – Non-capital losses (continued)**

Other adjustments (includes adjustments for an acquisition of control)	150	
Section 80 – Adjustments for forgiven amounts	140	
Subsection 111(10) – Adjustments for fuel tax rebate		
Non-capital losses of previous tax years applied in the current tax year	130	
Enter line 130 on line 331 of the T2 return.		
Current and previous years non-capital losses applied against current-year taxable dividends subject to Part IV tax (note 3)	135	
Subtotal (total of lines 150, 140, 130 and 135)		1P
Non-capital losses before any request for a carryback (amount 1O minus amount 1P)		1Q

**Request to carry back non-capital loss to:**

First previous tax year to reduce taxable income	901	
Second previous tax year to reduce taxable income	902	
Third previous tax year to reduce taxable income	903	
First previous tax year to reduce taxable dividends subject to Part IV tax	911	
Second previous tax year to reduce taxable dividends subject to Part IV tax	912	
Third previous tax year to reduce taxable dividends subject to Part IV tax	913	
Total of requests to carry back non-capital losses to previous tax years (total of lines 901 to 913)		1R
Closing balance of non-capital losses to be carried forward to future tax years (amount 1Q minus amount 1R)	180	

Note 3: Line 135 is the total of lines 330 and 335 from Schedule 3, Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation.

**Part 2 – Capital losses**

**Continuity of capital losses and request for a carryback**

Capital losses at the end of the previous tax year	200	121,975	
Capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	205		
Subtotal (line 200 plus line 205)		121,975	2A
Other adjustments (includes adjustments for an acquisition of control)	250		
Section 80 – Adjustments for forgiven amounts	240		
Subtotal (line 250 plus line 240)			2B
Subtotal (amount 2A minus amount 2B)		121,975	2C
Current-year capital loss (from the calculation on Schedule 6, Summary of Dispositions of Capital Property)	210		
Unused non-capital losses from the 11th previous tax year (note 4)			2D
Allowable business investment losses (ABILs) that expired as non-capital losses at the end of the previous tax year (note 5)			2E
Enter amount 2D or 2E, whichever is less	215		
ABILs expired as non-capital losses: line 215 multiplied by 2.000000			220
Subtotal (amount 2C plus line 210 plus line 220)		121,975	2F

**Note**

If there has been an amalgamation or a wind-up of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary corporation. Add all these amounts and enter the total on line 220.

Note 4: Determine the amount of the non-capital loss from the **11th previous tax year**, and enter the part of the non-capital loss that was not deducted in the **previous 11 years**.

Note 5: Enter the amount of the ABILs from the **11th previous tax year**. Enter the full amount on amount 2E.

**Part 2 – Capital losses (continued)**

Capital losses from previous tax years applied against the current-year net capital gain (note 6)	225	
Capital losses before any request for a carryback (amount 2F minus line 225)		121,975 2G
<b>Request to carry back capital loss to (note 7):</b>		
	Capital gain (100%)	Amount carried back (100%)
First previous tax year	951	
Second previous tax year	952	
Third previous tax year	953	
	Subtotal (total of lines 951 to 953)	2H
Closing balance of capital losses to be carried forward to future tax years (amount 2G minus amount 2H) (note 8)	280	121,975

Note 6: To get the net capital losses required to reduce the taxable capital gain included in the net income (loss) for the current tax year, enter the amount from line 225 **divided** by 2 at line 332 of the T2 return.

Note 7: On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, **divide** this amount by 2. The result represents the 50% inclusion rate.

Note 8: Capital losses can be carried forward indefinitely.

**Part 3 – Farm losses**

**Continuity of farm losses and request for a carryback**

Farm losses at the end of the previous tax year		3A
Farm loss expired (note 9)	300	
Farm losses at the beginning of the tax year (amount 3A minus line 300)	302	
Farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	305	
Current-year farm loss (amount 1K in Part 1)	310	
	Subtotal (line 305 plus line 310)	3B
	Subtotal (line 302 plus amount 3B)	3C
Other adjustments (includes adjustments for an acquisition of control)	350	
Section 80 – Adjustments for forgiven amounts	340	
Farm losses of previous tax years applied in the current tax year	330	
Enter line 330 on line 334 of the T2 Return.		
Current and previous years farm losses applied against current-year taxable dividends subject to Part IV tax (note 10)	335	
	Subtotal (total of lines 350, 340, 330 and 335)	3D
Farm losses before any request for a carryback (amount 3C minus amount 3D)		3E

**Request to carry back farm loss to:**

First previous tax year to reduce taxable income	921	
Second previous tax year to reduce taxable income	922	
Third previous tax year to reduce taxable income	923	
First previous tax year to reduce taxable dividends subject to Part IV tax	931	
Second previous tax year to reduce taxable dividends subject to Part IV tax	932	
Third previous tax year to reduce taxable dividends subject to Part IV tax	933	
	Subtotal (total of lines 921 to 933)	3F
Closing balance of farm losses to be carried forward to future tax years (amount 3E minus amount 3F)	380	

Note 9: A farm loss expires after **20 tax years**.

Note 10: Line 335 is the total of lines 340 and 345 from Schedule 3.

**Part 4 – Restricted farm losses**

**Current-year restricted farm loss**

Total losses for the year from farming business	.....	<b>485</b>	_____
(line 485 _____ – \$2,500) divided by 2	.....	4A	_____
Amount 4A or \$ 15,000, whichever is less	.....		4B _____
		<b>2,500</b>	4C _____
Subtotal (amount 4B plus amount 4C)	.....	<b>2,500</b>	4D _____
Current-year restricted farm loss (line 485 minus amount 4D)	.....		<b>4E</b> _____

**Continuity of restricted farm losses and request for a carryback**

Restricted farm losses at the end of the previous tax year	.....	4F	_____
Restricted farm loss expired ( <b>note 11</b> )	.....	<b>400</b>	_____
Restricted farm losses at the beginning of the tax year (amount 4F minus line 400)	.....	<b>402</b>	_____
Restricted farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	.....	<b>405</b>	_____
Current-year restricted farm loss (from amount 4E)	.....	<b>410</b>	_____
Enter line 410 on line 233 of Schedule 1, Net Income (Loss) for Income Tax Purposes.			
Subtotal (line 405 plus line 410)	.....		4G _____
Subtotal (line 402 plus amount 4G)	.....		4H _____

Restricted farm losses from previous tax years applied against current farming income	.....	<b>430</b>	_____
Enter line 430 on line 333 of the T2 return.			
Section 80 – Adjustments for forgiven amounts	.....	<b>440</b>	_____
Other adjustments	.....	<b>450</b>	_____
Subtotal (total of lines 430 to 450)	.....		4I _____
Restricted farm losses before any request for a carryback (amount 4H minus amount 4I)	.....		4J _____

**Request to carry back restricted farm loss to:**

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

**Note**

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

Note 11: A restricted farm loss expires after **20 tax years**.

**Part 5 – Listed personal property losses**

**Continuity of listed personal property loss and request for a carryback**

Listed personal property losses at the end of the previous tax year ..... 5A

Listed personal property loss expired (**note 12**) ..... **500**

Listed personal property losses at the beginning of the tax year (amount 5A **minus** line 500) . **502** ▶

Current-year listed personal property loss (from Schedule 6) ..... **510**

Subtotal (line 502 **plus** line 510) ..... 5B

Listed personal property losses from previous tax years applied against listed personal property gains ..... **530**

Enter line 530 on line 655 of Schedule 6.

Other adjustments ..... **550**

Subtotal (line 530 **plus** line 550) ..... 5C

Listed personal property losses remaining before any request for a carryback (amount 5B **minus** amount 5C) ..... 5D

**Request to carry back listed personal property loss to:**

First previous tax year to reduce listed personal property gains ..... **961**

Second previous tax year to reduce listed personal property gains ..... **962**

Third previous tax year to reduce listed personal property gains ..... **963**

Subtotal (total of lines 961 to 963) ..... 5E

Closing balance of listed personal property losses to be carried forward to future tax years (amount 5D **minus** amount 5E) **580**

Note 12: A listed personal property loss expires after **7 tax years**.

**Part 7 – Limited partnership losses**

**Current-year limited partnership losses**

1	2	3	4	5	6	7
Partnership account number	Tax year ending YYYY/MM/DD	Corporation's share of limited partnership loss	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses	Column 4 <b>minus</b> column 5 (if negative, enter "0")	Current -year limited partnership losses (column 3 <b>minus</b> column 6)
<b>600</b>	<b>602</b>	<b>604</b>	<b>606</b>	<b>608</b>		<b>620</b>

1.

Total (enter this amount on line 222 of Schedule 1)

**Limited partnership losses from previous tax years that may be applied in the current year**

1	2	3	4	5	6	7
Partnership account number	Tax year ending YYYY/MM/DD	Limited partnership losses at the end of the previous tax year and amounts transferred on an amalgamation or on the wind-up of a subsidiary	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses	Column 4 <b>minus</b> column 5 (if negative, enter "0")	Limited partnership losses that may be applied in the year (the lesser of columns 3 and 6)
<b>630</b>	<b>632</b>	<b>634</b>	<b>636</b>	<b>638</b>		<b>650</b>

1.

**Continuity of limited partnership losses that can be carried forward to future tax years**

1	2	3	4	5	6
Partnership account number	Limited partnership losses at the end of the previous tax year	Limited partnership losses transferred in the year on an amalgamation or on the wind-up of a subsidiary	Current-year limited partnership losses (from line 620)	Limited partnership losses applied in the current year (must be equal to or less than line 650)	Current year limited partnership losses closing balance to be carried forward to future years (column 2 <b>plus</b> column 3 <b>plus</b> column 4 <b>minus</b> column 5)
<b>660</b>	<b>662</b>	<b>664</b>	<b>670</b>	<b>675</b>	<b>680</b>

1.

Total (enter this amount on line 335 of the T2 return)

**Note**

If you need more space, you can attach more schedules.

**Part 8 – Election under paragraph 88(1.1)(f)**

If you are making an election under paragraph 88(1.1)(f), tick the box

**190**

Yes

In the case of the wind-up of a subsidiary, if the election is made, the non-capital loss, restricted farm loss, farm loss, or limited partnership loss of the subsidiary—that otherwise would become the loss of the parent corporation for a particular tax year starting after the wind-up began—will be considered as the loss of the parent corporation for its immediately preceding tax year and not for the particular year.

**Note**

This election is only applicable for wind-ups under subsection 88(1) that are reported on Schedule 24, First-Time Filer after Incorporation, Amalgamation, or Winding-up of a Subsidiary into a Parent.



## Tax Calculation Supplementary – Corporations

### Schedule 5

Corporation's name <b>Essex Power Corporation</b>	Business Number <b>86953 5435 RC0001</b>	Tax year-end Year Month Day <b>2022-12-31</b>
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- Use this schedule if any of the following apply to your corporation during the tax year:
  - it had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - it is claiming provincial or territorial tax credits or rebates (see Part 2)
  - it has to pay taxes, other than income tax, for Newfoundland and Labrador or Ontario (see Part 2)
- All legislative references are to the federal Income Tax Regulations (the Regulations).
- For more information, see the T2 Corporation – Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

### Part 1 – Allocation of taxable income

100		Enter the regulation that applies (402 to 413)				
A Jurisdiction. Tick yes if your corporation had a permanent establishment in the jurisdiction during the tax year <small>Note 1</small>		B Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	D Gross revenue attributable to jurisdiction	E (D x taxable income) / H	F Allocation of taxable income (C + E) x 1/2 <small>Note 2</small> (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	<b>003</b> Yes <input type="checkbox"/>	<b>103</b>		<b>143</b>		
Newfoundland and Labrador Offshore	<b>004</b> Yes <input type="checkbox"/>	<b>104</b>		<b>144</b>		
Prince Edward Island	<b>005</b> Yes <input type="checkbox"/>	<b>105</b>		<b>145</b>		
Nova Scotia	<b>007</b> Yes <input type="checkbox"/>	<b>107</b>		<b>147</b>		
Nova Scotia Offshore	<b>008</b> Yes <input type="checkbox"/>	<b>108</b>		<b>148</b>		
New Brunswick	<b>009</b> Yes <input type="checkbox"/>	<b>109</b>		<b>149</b>		
Quebec	<b>011</b> Yes <input type="checkbox"/>	<b>111</b>		<b>151</b>		
Ontario	<b>013</b> Yes <input type="checkbox"/>	<b>113</b>		<b>153</b>		
Manitoba	<b>015</b> Yes <input type="checkbox"/>	<b>115</b>		<b>155</b>		
Saskatchewan	<b>017</b> Yes <input type="checkbox"/>	<b>117</b>		<b>157</b>		
Alberta	<b>019</b> Yes <input type="checkbox"/>	<b>119</b>		<b>159</b>		
British Columbia	<b>021</b> Yes <input type="checkbox"/>	<b>121</b>		<b>161</b>		
Yukon	<b>023</b> Yes <input type="checkbox"/>	<b>123</b>		<b>163</b>		
Northwest Territories	<b>025</b> Yes <input type="checkbox"/>	<b>125</b>		<b>165</b>		
Nunavut	<b>026</b> Yes <input type="checkbox"/>	<b>126</b>		<b>166</b>		
Outside Canada	<b>027</b> Yes <input type="checkbox"/>	<b>127</b>		<b>167</b>		
<b>Total</b>			<b>G</b>	<b>169</b>	<b>H</b>	

Note 1: **Permanent establishment** is defined in subsection 400(2).

Note 2: For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

#### Notes:

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

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

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits
36,008		36,008	4,141
<b>Ontario basic income tax</b> (from Schedule 500) ..... <b>270</b> 4,141			
Ontario small business deduction (from Schedule 500) ..... <b>402</b>			
Subtotal (line 270 <b>minus</b> line 402) =			<b>4,141</b> 5A
Ontario transitional tax debits (from Schedule 506) ..... <b>276</b>			
Recapture of Ontario research and development tax credit (from Schedule 508) ..... <b>277</b>			
Subtotal (line 276 <b>plus</b> line 277) =			5B
Gross Ontario tax (amount 5A <b>plus</b> amount 5B) ..... <b>4,141</b> 5C			
Ontario resource tax credit (from Schedule 504) ..... <b>404</b>			
Ontario tax credit for manufacturing and processing (from Schedule 502) ..... <b>406</b>			
Ontario foreign tax credit (from Schedule 21) ..... <b>408</b>			
Ontario credit union tax reduction (from Schedule 500) ..... <b>410</b>			
Ontario political contributions tax credit (from Schedule 525) ..... <b>415</b>			
Ontario non-refundable tax credits (total of lines 404 to 415) =			5D
Subtotal (amount 5C <b>minus</b> amount 5D) (if negative, enter "0")			<b>4,141</b> 5E
Ontario research and development tax credit (from Schedule 508) ..... <b>416</b>			
Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E <b>minus</b> line 416) (if negative, enter "0") ..... <b>4,141</b> 5F			
Ontario corporate minimum tax credit (from Schedule 510) ..... <b>418</b>			
Ontario community food program donation tax credit for farmers (from Schedule 2) ..... <b>420</b>			
Ontario corporate income tax payable (amount 5F <b>minus</b> the total of lines 418 and 420) (if negative, enter "0") ..... <b>4,141</b> 5G			
Ontario corporate minimum tax (from Schedule 510) ..... <b>278</b>			
Ontario special additional tax on life insurance corporations (from Schedule 512) ..... <b>280</b>			
Subtotal (line 278 <b>plus</b> line 280) =			5H
Total Ontario tax payable before refundable tax credits (amount 5G <b>plus</b> amount 5H) ..... <b>4,141</b> 5I			
Ontario qualifying environmental trust tax credit ..... <b>450</b>			
Ontario co-operative education tax credit (from Schedule 550) ..... <b>452</b>			
Ontario apprenticeship training tax credit (from Schedule 552) ..... <b>454</b>			
Ontario computer animation and special effects tax credit (from Schedule 554) ..... <b>456</b>			
Ontario film and television tax credit (from Schedule 556) ..... <b>458</b>			
Ontario production services tax credit (from Schedule 558) ..... <b>460</b>			
Ontario interactive digital media tax credit (from Schedule 560) ..... <b>462</b>			
Ontario book publishing tax credit (from Schedule 564) ..... <b>466</b>			
Ontario innovation tax credit (from Schedule 566) ..... <b>468</b>			
Ontario business-research institute tax credit (from Schedule 568) ..... <b>470</b>			
Ontario regional opportunities investment tax credit (from Schedule 570) ..... <b>472</b>			
Ontario refundable tax credits (total of lines 450 to 472) =			5J
<b>Net Ontario tax payable or refundable tax credit</b> (amount 5I <b>minus</b> amount 5J) ..... <b>290</b> <b>4,141</b>			
(if a credit, enter amount in brackets) Include this amount on line 255.			

**Summary**

Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.

<b>Net provincial and territorial tax payable or refundable tax credits</b> .....	<b>255</b>	<b>4,141</b>
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If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.  
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.

**Capital Cost Allowance (CCA)**

Corporation's name <b>Essex Power Corporation</b>	Business number <b>86953 5435 RC0001</b>	Tax year-end Year Month Day <b>2022-12-31</b>
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For more information, see the section called "Capital Cost Allowance" in the T2 Corporation Income Tax Guide.

Is the corporation electing under Regulation 1101(5q)? **101** Yes  No

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

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

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

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

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

1 Name of EPOP	2 Identification number See note 1	3 Percentage assigned under the agreement
<b>110</b>	<b>115</b>	<b>120</b>
1. Essex Power Corporation	869535435RC0001	
2. ASI SPE 106 Inc.	809114309RC0001	100.000
3. EE Solar Partners Inc.	737197129RC0001	
4. Essex Energy Corporation	870071123RC0002	
5. Essex Powerlines Corporation	870066529RC0001	
6. Utilismart Corporation	864439450RC0002	
7. Wattsworth Analysis Inc.	877468108RC0001	
<b>Total</b>		<b>100.000</b>

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

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

Note 2: If the total of column 3 is more than 100%, enter 0.

**Part 2 – CCA calculation**

1 Class number  See note 3  <b>200</b>	Description	2 Undepreciated capital cost (UCC) at the beginning of the year  <b>201</b>	3 Cost of acquisitions during the year (new property must be available for use)  See note 4  <b>203</b>	4 Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP)  See note 5  <b>232</b>	5 Adjustments and transfers  See note 6  <b>205</b>	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition  See note 7  <b>221</b>	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition  See note 8  <b>222</b>	8 Proceeds of dispositions  See note 9  <b>207</b>
1. 8		4,228	2,572	2,572				0
2. 10		15						0
3. 45		2						0
4. 50		8,553	9,108	9,108				0
5. 12			28,750	28,750				0
6. 95	CIP software		153,504	153,504				0
<b>Totals</b>		12,798	193,934	193,934				

1 Class number	Description	9 Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4)  <b>234</b>	10 UCC (column 2 plus column 3 plus or minus column 5 minus column 8)  See note 10	11 UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4)  See note 11  <b>236</b>	12 Immediate expensing  See note 12  <b>238</b>	13 Cost of acquisitions on remainder of Class (column 3 minus column 4 plus column 11 minus column 12)   <b>225</b>	14 Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56  See note 13	15 Remaining UCC (column 10 minus column 12) (if negative, enter "0")	16 Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 minus column 9 plus column 6 minus column 13 plus column 14 minus column 7) (if negative, enter "0")  See note 14
1. 8			6,800	2,572		2,572	2,572	6,800	
2. 10			15					15	
3. 45			2					2	
4. 50			17,661	9,108		9,108	9,108	17,661	
5. 12			28,750	28,750		28,750	28,750	28,750	
6. 95	CIP software		153,504	153,504		153,504	153,504	153,504	
<b>Totals</b>			206,732	193,934		193,934	193,934	206,732	

**Part 2 – CCA calculation (continued)**

1 Class number	Description	17 Net capital cost additions of AIP and property included in Classes 54 to 56 acquired during the year (column 14 minus column 16) (if negative, enter "0")	18 UCC adjustment for AIP and property included in Classes 54 to 56 acquired during the year multiplied by the relevant factor (See note 15)	19 UCC adjustment for property acquired during the year other than AIP and property included in Classes 54 to 56 (0.5 multiplied by the result of column 13 minus column 14 plus column 6 plus column 7 minus column 8 plus column 9) (if negative, enter "0") (See note 16)	20 CCA rate % (See note 17)	21 Recapture of CCA (See note 18)	22 Terminal loss (See note 19)	23 CCA (for declining balance method, the result of column 15 plus column 18 minus column 19, multiplied by column 20, or a lower amount, plus column 12) (See note 20)	24 UCC at the end of the year (column 10 minus column 23)
				<b>224</b>	<b>212</b>	<b>213</b>	<b>215</b>	<b>217</b>	<b>220</b>
1.	8	2,572	1,286		20	0	0	1,617	5,183
2.	10				30	0	0	5	10
3.	45				45	0	0	1	1
4.	50	9,108	4,554		55	0	0	12,218	5,443
5.	12	28,750			100	0	0	28,750	
6.	95 CIP software	153,504	76,752		0	0	0		153,504
<b>Totals</b>		193,934	82,592					42,591	164,141

Enter the total of column 21 on line 107 of Schedule 1.  
 Enter the total of column 22 on line 404 of Schedule 1.  
 Enter the total of column 23 on line 403 of Schedule 1.

- Note 3: If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.
- Note 4: Include any property acquired in previous years that has now become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.
- Note 5: A DIEP reported in column 4 is a property acquired after April 18, 2021, by a corporation that was a Canadian-controlled private corporation (CCPC) throughout the year, which became available for use in the tax year (before 2024) and was designated as such on or before the day that is 12 months after the filing-due date for the tax year to which the designation relates. It includes all capital property subject to the CCA rules, if certain conditions are met, other than property included in Classes 1 to 6, 14.1, 17, 47, 49, and 51. A property can only qualify as DIEP in the year in which it becomes available for use. See subsection 1104(3.1) of the Regulations for more information.
- Note 6: Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the UCC (column 10). Items that increase the UCC include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the UCC (show amounts that reduce the UCC in brackets) include assistance received or receivable during the year for a property, subsequent to its disposition, if such assistance would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f). See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5. Also include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor at least 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.
- Note 7: Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

**Part 2 – CCA calculation (continued)**

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

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

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

Note 9: For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).

If the cost of a zero-emission passenger vehicle (or a passenger vehicle that was, at any time, a DIEP) exceeds the prescribed amount, the proceeds of disposition will be adjusted based on a factor equal to the prescribed amount as a proportion of the actual cost of the vehicle.

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

Note 11: The only amounts incurred before April 19, 2021, to be included in this column are certain inventory purchases from arm's length persons or partnerships where the conditions in paragraphs 1100(0.3)(a) to (c) are met.

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

1. Immediate expensing limit: it is equal to one of the following five amounts, whichever is applicable:

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

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

2. UCC of the DIEP: total of column 11

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

Note 13: An AIIP is a property (other than property included in Classes 54 to 56) that you acquired after November 20, 2018, and that became available for use before 2028.

Classes 54 and 55 include zero-emission vehicles that you acquired after March 18, 2019, and that became available for use before 2028.

Class 56 applies to eligible zero-emission automotive equipment and vehicles (other than motor vehicles) that are acquired after March 1, 2020, and that became available for use before 2028.

See the T2 Corporation Income Tax Guide for more information.

Note 14: Include only elements from columns 6 and 7 that are not related to the DIEP.

Note 15: The relevant factors for property of a class in Schedule II, that is an AIIP or included in Classes 54 to 56, available for use before 2024 are:

- 2 1/3 for property in Classes 43.1, 54, and 56
- 1 1/2 for property in Class 55
- 1 for property in Classes 43.2 and 53
- 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 20 for additional information) and
- 0.5 for all other property that is an AIIP

**Part 2 – CCA calculation (continued)**

- Note 16: The UCC adjustment for property acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIP, property included in Classes 54 to 56, and property to which the immediate expensing was applied). Include only elements from columns 6 and 7 that are not related to the DIEP. For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.
- Note 17: Enter a rate only if you are using the declining balance method. For any other method (for example, the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 23.
- Note 18: If the amount in column 10 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 10 in column 21 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1. However, they do apply to a passenger vehicle that was, at any time, a DIEP.
- Note 19: If no property is left in the class at the end of the tax year and there is still a positive amount in the column 10, you have a terminal loss. If applicable, enter the positive amount from column 10 in column 22. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
  - property in Class 14.1, unless you have ceased carrying on the business to which it relates
  - limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply, unless certain conditions are met
- Note 20: If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the T2 Corporation Income Tax Guide for more information. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
  - Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
  - Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot, or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
  - Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
  - Class 41.2: use a 25% CCA rate. The additional allowance under paragraphs 1100(1)(y.2) (for single mine properties) and 1100(1)(ya.2) (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive
- The AIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

**RELATED AND ASSOCIATED CORPORATIONS**

Name of corporation Essex Power Corporation	Business Number 86953 5435 RC0001	Tax year end Year Month Day 2022-12-31
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- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	<b>100</b>	<b>200</b>	<b>300</b>	<b>400</b>	<b>500</b>	<b>550</b>	<b>600</b>	<b>650</b>	<b>700</b>
	Name	Country of residence (other than Canada)	Business number (see note 1)	Relationship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
1.	ASI SPE 106 Inc.		80911 4309 RC0001	3					
2.	EE Solar Partners Inc.		73719 7129 RC0001	3					
3.	Essex Energy Corporation		87007 1123 RC0002	2	50	100.000			10
4.	Essex Powerlines Corporation		87006 6529 RC0001	2	15,772,846	100.000			5
5.	Utilismart Corporation		86443 9450 RC0002	3					
6.	Wattsworth Analysis Inc.		87746 8108 RC0001	3					

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

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



## Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.

**Column 1:** Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

**Column 2:** Provide the business number for each corporation (if a corporation is not registered, enter "NR").

**Column 3:** Enter the association code from the list below that applies to each corporation:

- 1 – Associated for purposes of allocating the business limit (unless association code 5 applies)
- 2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
- 3 – Non-CCPC that is a **third corporation**
- 4 – Associated non-CCPC
- 5 – Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

**Column 4:** Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

**Column 5:** Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

**Column 6:** Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A. Ensure that the total at line A does not exceed \$500,000.

### Allocating the business limit

Date filed (do not use this area) ..... **025** Year Month Day

Enter the calendar year the agreement applies to ..... **050** Year  
2022

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? ..... **075**  Yes  No

	1 Name of associated corporations	2 Business number of associated corporations	3 Association code	4 Business limit for the year before the allocation \$	5 Percentage of the business limit %	6 Business limit allocated* \$
	<b>100</b>	<b>200</b>	<b>300</b>		<b>350</b>	<b>400</b>
1	Essex Power Corporation	86953 5435 RC0001	1	500,000		
2	ASI SPE 106 Inc.	80911 4309 RC0001	1	500,000		
3	EE Solar Partners Inc.	73719 7129 RC0001	1	500,000		
4	Essex Energy Corporation	87007 1123 RC0002	1	500,000		
5	Essex Powerlines Corporation	87006 6529 RC0001	1	500,000	100.0000	500,000
6	Utilismart Corporation	86443 9450 RC0002	1	500,000		
7	Wattsworth Analysis Inc.	87746 8108 RC0001	1	500,000		
<b>Total</b>					<b>100.0000</b>	<b>500,000</b> A

**Business limit reduction under subsection 125(5.1) of the Act**

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula  $0.225\% \times (C - \$10,000,000)$ . Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

\* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

**Special rules for business limit**

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

## Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Essex Power Corporation	86953 5435 RC0001	2022-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than \$10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than \$10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

### Part 1 – Capital

Add the following year-end amounts:

Reserves that have not been deducted in calculating income for the year under Part I	<b>101</b>	278,365	
Capital stock (or members' contributions if incorporated without share capital)	<b>103</b>	19,667,300	
Retained earnings	<b>104</b>	3,259,854	
Contributed surplus	<b>105</b>		
Any other surpluses	<b>106</b>		
Deferred unrealized foreign exchange gains	<b>107</b>		
All loans and advances to the corporation	<b>108</b>	1,827,709	
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	<b>109</b>		
Any dividends declared but not paid by the corporation before the end of the year	<b>110</b>		
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	<b>111</b>		
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	<b>112</b>		
Subtotal (add lines 101 to 112)		25,033,228	25,033,228 A

#### Note:

Line 112 is determined by the formula  $(A - B) \times C/D$  (as per paragraph 181.2(3)(g)) where:

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

**Part 1 – Capital (continued)**Subtotal A (from page 1) 25,033,228 A**Deduct** the following amounts:

Deferred tax debit balance at the end of the year	<b>121</b>	_____
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	<b>122</b>	_____
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	<b>123</b>	_____
Deferred unrealized foreign exchange losses at the end of the year	<b>124</b>	_____
		Subtotal (add lines 121 to 124) <b>▶</b> _____ B
<b>Capital for the year</b> (amount A minus amount B) (if negative, enter "0")	<b>190</b>	<u><u>25,033,228</u></u>

**Part 2 – Investment allowance****Add** the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	<b>401</b>	_____
A loan or advance to another corporation (other than a financial institution)	<b>402</b>	_____
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	<b>403</b>	_____
Long-term debt of a financial institution	<b>404</b>	_____
A dividend payable on a share of the capital stock of another corporation	<b>405</b>	_____
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	<b>406</b>	_____
An interest in a partnership (see note 2 below)	<b>407</b>	_____
<b>Investment allowance for the year</b> (add lines 401 to 407)	<b>490</b>	<u><u>_____</u></u>

**Notes:**

- Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
- Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
- Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

**Part 3 – Taxable capital**

Capital for the year (line 190)	_____	<u>25,033,228</u> C
<b>Deduct:</b> Investment allowance for the year (line 490)	_____	_____ D
<b>Taxable capital for the year</b> (amount C minus amount D) (if negative, enter "0")	<b>500</b>	<u><u>25,033,228</u></u>

**Part 4 – Taxable capital employed in Canada**

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500) 25,033,228 x  $\frac{\text{Taxable income earned in Canada}}{\text{Taxable income}}$   $\frac{610}{36,008} = \text{Taxable capital employed in Canada}$  **690** 25,033,228

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

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

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

**Deduct** the following amounts:

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

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

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

Total deductions (**add** lines 711, 712, and 713) \_\_\_\_\_ **E**

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

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

**Part 5 – Calculation for purposes of the small business deduction**

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

Taxable capital employed in Canada (amount from line 690) . . . . . \_\_\_\_\_ **F**

**Deduct:** . . . . . 10,000,000 **G**

Excess (amount F **minus** amount G) (if negative, enter "0") \_\_\_\_\_ **H**

**Calculation for purposes of the small business deduction** (amount H x 0.225%) . . . . . \_\_\_\_\_ **I**

Enter this amount at line 415 of the T2 return.

# Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Description	Operator (Note)	Amount
Dividend payable		1,827,709 00
	+	
	<b>Total</b>	<b>1,827,709 00</b>

**Note:** The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2\*3 will not result in the same thing as the formula 1+3\*2.

**Shareholder Information**

Corporation's name <b>Essex Power Corporation</b>	Business number <b>86953 5435 RC0001</b>	Tax year-end Year Month Day <b>2022-12-31</b>
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- All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.
- Provide only one number (business number, partnership account number, social insurance number or trust number) per shareholder.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business number or partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "NR")	Social insurance number (9 digits)	Trust number (T followed by 8 digits)	Percentage common shares	Percentage preferred shares
	<b>100</b>	<b>200</b>	<b>300</b>	<b>350</b>	<b>400</b>	<b>500</b>
1	Municipality of Leamington		NA		26.050	
2	Town of Amherstburg		NA		14.260	
3	Town of Lasalle		NA		33.250	
4	Town of Tecumseh		NA		26.440	
5						
6						
7						
8						
9						
10						

**Part III.1 Tax on Excessive Eligible Dividend Designations**

Corporation's name <b>Essex Power Corporation</b>	Business number <b>86953 5435 RC0001</b>	Tax year-end Year Month Day <b>2022-12-31</b>
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- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.
- File the schedules with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

**Do not use this area**

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

Taxable dividends paid in the tax year <b>not included</b> in Schedule 3	_____	
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	_____	1,827,709
Total taxable dividends paid in the tax year	<b>100</b>	<u>1,827,709</u>
Total eligible dividends paid in the tax year	_____	<b>150</b>
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")	_____	<b>160</b> 1,098,229
Excessive eligible dividend designation (line 150 <b>minus</b> line 160)	_____	A
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	_____	<b>180</b>
Subtotal (amount A <b>minus</b> line 180)	_____	B
<b>Part III.1 tax on excessive eligible dividend designations – CCPC or DIC</b> (amount B <b>multiplied by</b> 20 %)	_____	<b>190</b>

Enter the amount from line 190 on line 710 of the T2 return.

**Part 2 – Other corporations**

Taxable dividends paid in the tax year <b>not included</b> in Schedule 3	_____	
Taxable dividends paid in the tax year <b>included</b> in Schedule 3	_____	
Total taxable dividends paid in the tax year	<b>200</b>	
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)	_____	C
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	_____	<b>280</b>
Subtotal (amount C <b>minus</b> line 280)	_____	D
<b>Part III.1 tax on excessive eligible dividend designations – Other corporations</b> (amount D <b>multiplied by</b> 20 %)	_____	<b>290</b>

Enter the amount from line 290 on line 710 of the T2 return.

\* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.



### Ontario Corporation Tax Calculation

Corporation's name <b>Essex Power Corporation</b>	Business number <b>86953 5435 RC0001</b>	Tax year-end Year Month Day <b>2022-12-31</b>
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- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

**Part 1 – Ontario basic income tax**

Ontario taxable income <sup>Note 1</sup> .....	<b>36,008</b>	1A
Ontario basic rate of tax for the year .....	<b>11.5 %</b>	1B
<b>Ontario basic income tax</b> (amount 1A multiplied by amount 1B) <sup>Note 2</sup> .....	<b>4,141</b>	1C

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

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

**Part 2 – Ontario small business deduction (OSBD)**

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

Line 400 of the T2 return .....	<b>84,948</b>		2A
Line 405 of the T2 return .....			2B
Line 410 of the T2 return .....			2C
Line 415 of the T2 return .....	<b>169,451</b>		2D
Amount 2C	x	Amount 2D	
		<b>169,451</b>	=
		<b>11,250</b>	2E
Line 515 of the T2 return .....			2F
Subtotal (amount 2C minus amount 2E minus amount 2F)			2G
Amount 2A, 2B or 2G whichever is the least .....			2H
Ontario domestic factor (ODF):	Taxable income for Ontario <sup>Note 3</sup>	<b>36,008.00</b>	=
	Taxable income for all provinces <sup>Note 4</sup>	<b>36,008</b>	=
			<b>1.00000</b>
			2I
Amount 2H multiplied by amount 2I .....			2J
Ontario taxable income (amount 1A) .....			<b>36,008</b>
			2K
Ontario small business income (amount 2J or 2K, whichever is less) .....			2L

**Ontario small business deduction for the year**

Amount 2L	x	Number of days in the tax year before January 1, 2020	x	8 %	=	
		<b>365</b>				2M
Amount 2L	x	Number of days in the tax year after December 31, 2019	x	8.3 %	=	
		<b>365</b>				2N
		<b>365</b>				
Ontario small business deduction for the year (amount 2M plus amount 2N) .....						2O

Enter amount 2O on line 402 of Schedule 5.

Note 3 Enter amount 1A.

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

**Part 3 – Ontario adjusted small business income**

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

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

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

**Part 4 – Credit union tax reduction**

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

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

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

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

Amount 4C	x	$\frac{\text{Number of days in the tax year before January 1, 2020}}{\text{Number of days in the tax year}}$	x	8 %	=	4D
			365			

Amount 4C	x	$\frac{\text{Number of days in the tax year after December 31, 2019}}{\text{Number of days in the tax year}}$	x	8.3 %	=	4E
			365			

Total (amount 4D plus amount 4E) ▶ 4F

Ontario domestic factor (amount 2I) ..... 1.00000 4G

**Ontario credit union tax reduction** (amount 4F multiplied by amount 4G) ..... 4H

Enter amount 4H on line 410 of Schedule 5.

## Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Essex Power Corporation	86953 5435 RC0001	2022-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  - 1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  - 2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  - 3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  - 4) a congregation or business agency to which section 143 of the federal Act applies;
  - 5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  - 6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the *T2 Corporation Income Tax Return*.

## Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	25,612,867
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	129,984,831
Total assets (total of lines 112 to 116)		155,597,698
Total revenue of the corporation for the tax year **	142	3,956,986
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	101,435,032
Total revenue (total of lines 142 to 146)		105,392,018

The corporation is subject to CMT if:

- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

## \* Rules for total assets

- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

## \*\* Rules for total revenue

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, **multiply** the total revenue of the corporation or the partnership, whichever applies, by 365 and **divide** by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

**Part 2 – Adjusted net income/loss for CMT purposes**

Net income/loss per financial statements *		<b>210</b>	1,895,648
<b>Add</b> (to the extent reflected in income/loss):			
Provision for current income taxes/cost of current income taxes	220		9,500
Provision for deferred income taxes (debits)/cost of future income taxes	222		17,300
Equity losses from corporations	224		
Financial statement loss from partnerships and joint ventures	226		
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230		
<b>Other additions</b> (see note below):			
Share of adjusted net income of partnerships and joint ventures **	228		
Total patronage dividends received, not already included in net income/loss	232		
<b>281</b>	<b>282</b>		
<b>283</b>	<b>284</b>		
	Subtotal	26,800	26,800 A
<b>Deduct</b> (to the extent reflected in income/loss):			
Provision for recovery of current income taxes/benefit of current income taxes	320		
Provision for deferred income taxes (credits)/benefit of future income taxes	322		
Equity income from corporations	324		
Financial statement income from partnerships and joint ventures	326		
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330	1,827,709	
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332		
Gain on donation of listed security or ecological gift	340		
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342		
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344		
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346		
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348		
<b>Other deductions</b> (see note below):			
Share of adjusted net loss of partnerships and joint ventures **	328		
Tax payable on dividends under subsection 191.1(1) of the federal Act multiplied by 3	334		
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336		
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338		
<b>381</b>	<b>382</b>		
<b>383</b>	<b>384</b>		
<b>385</b>	<b>386</b>		
<b>387</b>	<b>388</b>		
<b>389</b>	<b>390</b>		
	Subtotal	1,827,709	1,827,709 B
Adjusted net income/loss for CMT purposes (line 210 plus amount A minus amount B)		<b>490</b>	94,739

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

**Note**

In accordance with *Ontario Regulation 37/09*, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

**\* Rules for net income/loss**

- Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal *Bank Act*, adjusted so consolidation and equity methods are not used.

**Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)**

- Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
- Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
- Corporations, other than insurance corporations, should report net income from line 9999 of the GIF1 (Schedule 125) on line 210.
- \*\* The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.
- \*\*\* A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.
- \*\*\*\* A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.
- \*\*\*\*\* A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.

**Part 3 – CMT payable**

Adjusted net income for CMT purposes (line 490 in Part 2, if positive)	515		94,739	
<b>Deduct:</b>				
CMT loss available (amount R from Part 7)		122,799		
<b>Minus:</b> Adjustment for an acquisition of control *	518			
Adjusted CMT loss available		122,799		122,799 C
Net income subject to CMT calculation (if negative, enter "0")	520			
Amount from line 520	x	Number of days in the tax year before July 1, 2010	x	4 % =
		365		1
Amount from line 520	x	Number of days in the tax year after June 30, 2010	x	2.7 % =
		365		2
Subtotal (amount 1 plus amount 2)				3
Gross CMT: amount on line 3 above x OAF **				540
<b>Deduct:</b>				
Foreign tax credit for CMT purposes ***				550
CMT after foreign tax credit deduction (line 540 minus line 550) (if negative, enter "0")				D
<b>Deduct:</b>				
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)				4,141
Net CMT payable (if negative, enter "0")				E

Enter amount E on line 278 of Schedule 5, *Tax Calculation Supplementary – Corporations*, and complete Part 4.

\* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.

\*\*\* Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.

**\*\* Calculation of the Ontario allocation factor (OAF):**

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F:

$$\frac{\text{Ontario taxable income ****}}{\text{Taxable income *****}} = \underline{\hspace{2cm}}$$

**Ontario allocation factor** 1.00000 F

\*\*\*\* Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were \$1,000.

\*\*\*\*\* Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".

**Part 4 – Calculation of CMT credit carryforward**

CMT credit carryforward at the end of the previous tax year *	.....	_____	G
<b>Deduct:</b>			
CMT credit expired *	.....	<b>600</b>	
CMT credit carryforward at the beginning of the current tax year * (see note below)	.....	<b>620</b>	
<b>Add:</b>			
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)	.....	<b>650</b>	
CMT credit available for the tax year (amount on line 620 <b>plus</b> amount on line 650)	.....	_____	H
<b>Deduct:</b>			
CMT credit deducted in the current tax year (amount P from Part 5)	.....	_____	I
		Subtotal (amount H <b>minus</b> amount I)	J
<b>Add:</b>			
Net CMT payable (amount E from Part 3)	.....	_____	
SAT payable (amount O from Part 6 of Schedule 512)	.....	_____	
		Subtotal	K
CMT credit carryforward at the end of the tax year (amount J <b>plus</b> amount K)	.....	<b>670</b>	L

\* For the first harmonized T2 return filed with a tax year that includes days in 2009:  
 – do not enter an amount on line G or line 600;  
 – for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.  
 For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.

**Note:** If you entered an amount on line 620 or line 650, complete Part 6.

**Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable**

CMT credit available for the tax year (amount H from Part 4)	.....	_____	M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	.....	<u>4,141</u>	1
For a corporation that is not a life insurance corporation:			
CMT after foreign tax credit deduction (amount D from Part 3)	..	_____	2
For a life insurance corporation:			
Gross CMT (line 540 from Part 3)	.....	_____	3
Gross SAT (line 460 from Part 6 of Schedule 512)	.....	_____	4
The <b>greater</b> of amounts 3 and 4	.....	_____	5
		<b>Deduct:</b> line 2 or line 5, whichever applies:	6
		Subtotal (if negative, enter "0")	<u>4,141</u> N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)	.....	<u>4,141</u>	
<b>Deduct:</b>			
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 <b>minus</b> line 450 from Schedule 5)	.....	_____	
		Subtotal (if negative, enter "0")	<u>4,141</u> O
CMT credit deducted in the current tax year (least of amounts M, N, and O)	.....	_____	P

Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.

Is the corporation claiming a CMT credit earned before an acquisition of control? ..... **675** 1 Yes  2 No

If you answered **yes** to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

**Part 6 – Analysis of CMT credit available for carryforward by year of origin**

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	<b>680</b>
9th previous tax year	<b>681</b>
8th previous tax year	<b>682</b>
7th previous tax year	<b>683</b>
6th previous tax year	<b>684</b>
5th previous tax year	<b>685</b>
4th previous tax year	<b>686</b>
3rd previous tax year	<b>687</b>
2nd previous tax year	<b>688</b>
1st previous tax year	<b>689</b>
Total **	

\* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.

\*\* Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

**Part 7 – Calculation of CMT loss carryforward**

CMT loss carryforward at the end of the previous tax year *	122,799	Q	
<b>Deduct:</b>			
CMT loss expired *	<b>700</b>		
CMT loss carryforward at the beginning of the tax year * (see note below)	122,799	▶ <b>720</b>	122,799
<b>Add:</b>			
CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below)	<b>750</b>		
CMT loss available (line 720 plus line 750)			122,799 R
<b>Deduct:</b>			
CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3)			94,739
			Subtotal (if negative, enter "0") 28,060 S
<b>Add:</b>			
Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if <b>negative</b> ) (enter as a positive amount)	<b>760</b>		
CMT loss carryforward balance at the end of the tax year (amount S plus line 760)	<b>770</b>		28,060 T

- \* For the first harmonized T2 return filed with a tax year that includes days in 2009:
  - do not enter an amount on line Q or line 700;
  - for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.

\*\* Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.

**Note:** If you entered an amount on line 720 or line 750, complete Part 8.

**Part 8 – Analysis of CMT loss available for carryforward by year of origin**

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	<b>810</b>	<b>820</b>
9th previous tax year	<b>811</b>	<b>821</b>
8th previous tax year	<b>812</b>	<b>822</b>
7th previous tax year	<b>813</b>	<b>823</b>
6th previous tax year	<b>814</b>	<b>824</b>
5th previous tax year	<b>815</b>	<b>825</b>
4th previous tax year	<b>816</b>	<b>826</b>
3rd previous tax year	<b>817</b>	<b>827</b>
2nd previous tax year	<b>818</b>	<b>828</b>
1st previous tax year		<b>829</b>
Total ***		

\* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

\*\* Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

\*\*\* The total of these two columns must equal the total of the amounts entered on lines 720 and 750.



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

Name of corporation	Business Number	Tax year-end Year Month Day
Essex Power Corporation	86953 5435 RC0001	2022-12-31

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

	Names of associated corporations	Business number (Canadian corporation only) (see Note 1)	Total assets* (see Note 2)	Total revenue** (see Note 2)
	<b>200</b>	<b>300</b>	<b>400</b>	<b>500</b>
1	ASI SPE 106 Inc.	80911 4309 RC0001	1,482,457	158,689
2	EE Solar Partners Inc.	73719 7129 RC0001	5,131,696	306,995
3	Essex Energy Corporation	87007 1123 RC0002	15,601,470	5,785,502
4	Essex Powerlines Corporation	87006 6529 RC0001	100,139,727	86,756,905
5	Utilismart Corporation	86443 9450 RC0002	7,193,937	7,875,489
6	Wattsworth Analysis Inc.	87746 8108 RC0001	435,544	551,452
			<b>450</b>	<b>550</b>
		<b>Total</b>	129,984,831	101,435,032

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, *Ontario Corporate Minimum Tax*.

Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

Note 1: Enter "NR" if a corporation is not registered.

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

**\* Rules for total assets**

- Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

**\*\* Rules for total revenue**

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of those tax years by 365 and **divide** by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, **multiply** the associated corporation's total revenue by 365 and **divide** by the number of days in the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.