

1 **Q. Re: Deferral of certain outstanding issues on page 30 of the Financial Consultant's**  
2 **2003 Report. Please advise over what years the company deposited 50% of the**  
3 **potential outstanding liability with CCRA and please advise if this dispute was**  
4 **resolved in the company's favour, if you have canvassed with the company and the**  
5 **Public Utilities Board as to how this revenue is to be dealt with?**  
6

7 A. According to the Company's 1998 Annual Report (page 13), the Company filed Notices  
8 of Objection with the Minister of National Revenue in October 1995 and paid one half of  
9 the amount of taxes in dispute. With regards to the outstanding issue relating to revenue  
10 recognition this would represent approximately \$7 million.  
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12 The issue relating to revenue recognition is still outstanding, and according to the  
13 Company, it anticipates that this issue will be dealt with in the courts in 2004. If this  
14 dispute is resolved in the Company's favour, we would expect that the interest received  
15 on the amount being held on deposit would be recorded in the Company's books as  
16 "other income".  
17

18 We have not specifically canvassed the Board or the Company on how this revenue will  
19 be dealt with based on the assumption of the Company being successful.