

## Tax Information regarding the period ended December 31, 2006

### Tax Forms

The T5013 Supplementary tax forms are prepared for unitholders by their respective brokers. It is the responsibility of the broker to forward this information to unitholders no later than March 31, 2007. Canadian Energy Services L.P. provides tax information to the Canadian Depository for Securities (CDS) where it is made available to all brokerages for tax form preparation.

Click here to view the Canadian Energy Services L.P. [CDS tax information](#) for the fiscal period ended December 31, 2006.

### Important Notice regarding T5013 tax forms in 2006

Due to the late availability of the new T5013 form posted to the CRA website on January 31, 2007 systems changes to incorporate the new forms by the T5013 release deadline were made impossible for the majority of tax reporting firms. As a result, the Canada Revenue Agency (CRA) agreed that the previous version of the form (2004 version) would continue to be acceptable. This authorization, and further information relating to these changes, is reflected in the notices released by CRA - refer to their website as referenced below:

[English http://www.cra-arc.gc.ca/E/pbg/tf/t5013\\_flat/](http://www.cra-arc.gc.ca/E/pbg/tf/t5013_flat/)

[French http://www.cra-arc.gc.ca/F/pbg/tf/t5013\\_flat/](http://www.cra-arc.gc.ca/F/pbg/tf/t5013_flat/)

Below are descriptions of the important boxes that correspond between the old and the new forms:

**Box 18** - Canadian and foreign net business income/loss on the old form is the same as **Box 22** on the new form.

**Box 22** - Capital Cost Allowance (CCA) on the old form is the same as **Box 85** on the new form (The CCA has been claimed by the partnership so you would not use this figure for your individual tax return - it is given for information purposes only).

**Box 51** - Partnership's total gross income is now **Box 34** on the new form.

**If you have specific questions regarding your T5013 form, please contact your broker.**

### Distribution Taxability

Distributions in 2006 were approximately 58% taxable.

Distribution Period	Distribution Record Date	Date of Distribution	Distribution Amount per Class A Unit	Taxable Amount per Class A Unit	Return of Capital per Class A Unit
<b>2006</b>					
Mar 2-31	Mar 31	Apr 13	\$0.07920	\$0.04623	\$0.03297
Apr 1-30	Apr 30	May 15	\$0.07920	\$0.04623	\$0.03297
May 1-31	May 31	Jun 15	\$0.07920	\$0.04623	\$0.03297
Jun 1-30	Jun 30	Jul 14	\$0.07920	\$0.04623	\$0.03297
Jul 1-31	Jul 31	Aug 15	\$0.07920	\$0.04623	\$0.03297
Aug 1-31	Aug 31	Sep 15	\$0.07920	\$0.04623	\$0.03297

Sep 1-30	Sep 30	Oct 13	\$0.07920	\$0.04623	\$0.03297
Oct 1-31	Oct 31	Nov 15	\$0.07920	\$0.04623	\$0.03297
Nov 1-30	Nov 30	Dec 15	\$0.07920	\$0.04623	\$0.03297
Dec 1-31	Dec 31	Jan 15	\$0.07920	\$0.04623	\$0.03297
<b>Total 2006</b>			<b>\$0.79200</b>	<b>\$0.46230</b>	<b>\$0.32970</b>

### Adjusted Cost Base (ACB)

The ACB is calculated by taking the initial purchase price of units less the Return of Capital (ROC). The ROC is reported in Box 27 (this was not reported on the old T5013 tax forms).

Example of ACB if you acquired your units at the initial public offering:

Initial public offering cost	\$10.0000
Less:	
Return of Capital 2006	\$0.3297
ACB at December 31, 2006	\$9.6703