

Hydro One Networks Inc.

7th Floor, South Tower
483 Bay Street
Toronto, Ontario M5G 2P5
www.HydroOne.com

Tel: (416) 345-5240
Cell: (416) 903-5240
Oded.Hubert@HydroOne.com

Oded Hubert

Vice President
Regulatory Affairs



BY COURIER

August 11, 2016

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON
M4P 1E4

Dear Ms. Walli,

EB-2015-0141 – Hydro One Networks Inc. Draft Accounting Order – Rogers Communications Partnership et al. – Pole Attachment Charge Deferral Accounts

The Ontario Energy Board’s (“the Board”) August 4, 2016 Decision and Order on the Motion to Review and Vary Decision EB-2013-0416/EB-2014-0247 brought by Rogers Communications Partnerships et al., directs Hydro One to prepare a draft accounting order with respect to the two deferral accounts that Hydro One agreed to establish in its Reply Argument. Accordingly, Hydro One is submitting a Draft Accounting Order with respect to these accounts.

The first account records the revenue difference between the interim pole attachment charge billed by Hydro One to pole attachment customers and the final rate approved by the OEB in its decision for 2015 and 2016, in EB-2015-0141.

The second account records the revenue difference between the pole attachment charge at pole attachment volumes originally proposed by Hydro One in its rate application and the final rate approved by the OEB in its decision in EB-2015-0141.

Sincerely,

ORIGINAL SIGNED BY ODED HUBERT

Oded Hubert

Cc: Intervenors
Anita Varjacic

ATTACHMENT A

PROPOSED ACCOUNTING ENTRIES

Account #1 – Interim pole attachment charge vs approved pole attachment charge

This account records the revenue difference between the interim pole attachment charge billed by Hydro One to pole attachment customers and the rate approved by OEB in its decision for EB-2015-0141. The accounting entries to be recorded with respect to account #1 are as follows:

USofA #	Account Description
Dr: 1508	Other Regulatory Assets – Sub account “Revenue difference – interim pole attachment charge vs approved pole attachment charge”
Cr: 4325	Revenues from Merchandise

To record revenue difference between interim pole attachment rate and final approved pole attachment rate approved by OEB. The balance in this account will be billed to pole attachment customers.

USofA #	Account Description
Dr: 1105	Accounts Receivable - Merchandise
Cr: 1508	Other Regulatory Assets – Sub account “Revenue difference – interim pole attachment charge vs approved pole attachment charge”

To record billing to pole attachment customers.

USofA #	Account Description
Dr: 1005	Cash
Cr: 1105	Accounts Receivable - Merchandise

To record cash receipt from pole attachment customers.

Account #2 – Pole attachment charge initially proposed vs approved pole attachment charge

This account records the revenue difference between the pole attachment charge at pole attachment volumes originally proposed by Hydro One in its rate application and the rate approved by OEB in its decision for EB-2015-0141. The accounting entries to be recorded with respect to account #2 are as follows:

USofA #	Account Description
Dr: 4325	Revenues from Merchandise
Cr: 2405	Other Regulatory Liabilities – Sub account “Revenue difference – Pole attachment charge initially proposed vs approved pole attachment charge”

To record revenue difference between pole attachment charge initially proposed and final approved pole attachment rate approved by OEB.

USofA #	Account Description
Dr: 6035	Other Interest Expense
Cr: 2405	Other Regulatory Liabilities – Sub account “Revenue difference – Pole attachment charge initially proposed vs approved pole attachment charge”

To record interest improvement on the credit principal balance of the “Revenue difference – Pole attachment charge initially proposed vs approved pole attachment charge” account.