



**PUBLIC INTEREST ADVOCACY CENTRE**  
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September 22, 2011

**VIA MAIL and E-MAIL**

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

Dear Ms. Walli:

**Re: Vulnerable Energy Consumers Coalition (VECC)**  
**Interrogatories: EB-2011-0268**

Please find enclosed the interrogatories of VECC in the above-noted proceeding.

Thank you.

Yours truly,

Michael Buonaguro  
Counsel for VECC  
Encl.

**HYDRO ONE NETWORKS INC. (HYDRO ONE)**  
**ADJUSTMENT TO HYDRO ONE'S APPROVED 2012 TRANSMISSION**  
**REVENUE REQUIREMENT TO REFLECT ADOPTION OF US GAAP**  
**(EB-2011-0268)**

**VECC'S INTERROGATORIES**

**QUESTION #1**

**Reference:** Exhibit C/Tab 1/Schedule 1, page 4

- a) The Evidence states that "the adoption of US GAAP will improve Hydro One's ability to benchmark with other large North American utilities and other entities which are retaining or adopting US GAAP". Please outline Hydro One's plans for benchmarking the performance of both its transmission and distribution businesses against that of other large North American utilities.

**QUESTION #2**

**Reference:** Exhibit B/Tab 1/Schedule 1

EB-2008-0408, Addendum to Report of the Board (June 2011),  
pages 19-20

- a) It is noted that the OSC approval for Hydro One to use US GAAP terminates January 1, 2015 (at the latest). In its June 2011 Addendum the Board stated that "adoption of USGAAP as a short term solution may be counter-productive". In view of this comment, please explain why it is appropriate for Hydro One to adopt US GAAP for what appears will be a short-term period.

### **QUESTION #3**

**Reference:** Exhibit D1/Tab 1/Schedule 1, pages 3-4

- a) Based on Hydro One's "initial review" of the differences between Canadian and US GAAP, will there be any impacts on the its 2012 expense statement or balance sheet in moving from one to the other? If so, please itemize the impacts and explain the difference in the two accounting treatments that gives rise to each.