

700 University Avenue, Toronto, Ontario M5G 1X6

Tel: 416-592-4463 Fax: 416-592-8519
andrew.barrett@opg.com

December 29, 2011

VIA RESS AND COURIER

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

Dear Ms. Walli:

**RE: EB-2011-0432: APPLICATION FOR A DEFERRAL ACCOUNT TO REFLECT
THE TRANSITION TO AND IMPLEMENTATION OF US GAAP**

Attached please find an application by Ontario Power Generation Inc. ("OPG") for an accounting order to establish a deferral account to record the financial impacts associated with a change from Canadian Generally Accepted Accounting Principles ("CGAAP") to the Generally Accepted Accounting Principles of the United States of America ("US GAAP") effective January 1, 2012. The requested deferral account would record the financial impacts resulting from the transition to and implementation of US GAAP to the effective date of the OEB's next payment amounts order.

The order is necessary as OPG has determined that it will transition to the US GAAP on January 1, 2012 for accounting and financial reporting purposes.

OPG expects that the ultimate balance in this account, as well as the timing and manner of its disposition will be reviewed as part of OPG's next payment amounts application. Accordingly, there is no rate impact at this time from this Application.

OPG is also submitting this application on the Regulatory Electronic Submission System.

Yours truly,

[Original signed by]

Andrew Barrett

Encl.

c. Carlton Mathias OPG
Charles Keizer Torys LLP