



**EB-2012-0300**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*,  
S.O.1998, c.15, (Schedule B);

**AND IN THE MATTER OF** an Application by Great Lakes  
Power Transmission Inc. on behalf of Great Lakes Power  
Transmission LP to Establish Three Accounts in relation to  
its Application seeking changes to the uniform provincial  
transmission rates for 2013 and 2014.

**BEFORE:** Paula Conboy  
Presiding Member

Ellen Fry  
Member

**ACCOUNTING ORDER**

December 21, 2012

Great Lakes Power Transmission Inc. on behalf of Great Lakes Power Transmission LP (“GLPT”) filed an Application with the Board on June 29, 2012 for an accounting order authorizing it to establish three new accounts in the 2013 and 2014 test periods.

The three new accounts are:

- a new deferral account within account 1508 for recording expenditures related to an upcoming change to the definition of the Bulk Electric System;
- a new variance account within account 1508 for recording variances related to expenses allocated to East-West Tie Line initiatives; and
- a new deferral account, for recording expenses relating to the East West Tie proceeding (EB-2011-0140), with respect to (i) the cost of the proceeding apportioned to GLPT by the Board to be recovered through the Uniform Transmission Rates; and (ii) the costs incurred by GLPT to support the Board through the designation process (with this sub-account effective as of January 3, 2012).

On November 1, 2012, the Board issued its Decision on Proposed Settlement Agreement and Accounting Order where approval of an October 18, 2012 proposed settlement agreement by the parties was granted. Therein, the Board granted, with conditions, GLPT’s request.

In its Decision, the Board authorized the establishment of the three new accounts with conditions to the second deferral account (listed in the third bullet above) as follows:

- New deferral account, effective as of March 22, 2012, for recording expenses relating to the East West Tie proceeding (EB-2011-0140). This account shall be only for the purpose of recording costs incurred by GLPT to support the Board through the designation process, as set out in pages 4-6 of the Board’s Decision and Order dated July 12, 2012 for proceeding EB-2012-0180 under the heading “Support Costs for OEB Designation Process”.

GLPT filed a draft Accounting Order on November 29, 2012 and filed the detailed accounting entries for the approved three new accounts on December 10, 2012, as Attachment A to the draft Accounting Order.

**THE BOARD ORDERS THAT:**

The Accounting Order set out in Appendix "A" of this Order is approved effective December 21, 2012

**DATED** at Toronto, December 21, 2012

**ONTARIO ENERGY BOARD**

*Originally signed by*

Kirsten Walli  
Board Secretary

**APPENDIX "A"**

**TO ACCOUNTING ORDER**

**GREAT LAKES POWER TRANSMISSION LP**

**EB-2012-0300**

**DATED: DECEMBER 21, 2012**

## **APPENDIX A**

### **Great Lakes Power Transmission LP Accounting Order**

Great Lakes Power Transmission LP ("GLPT") shall establish the following deferral and variance accounts effective as of January 1, 2013:

1. Deferral Sub-account "Impact of Changes to Bulk Electric System Definition" of Account 1508 -- Other Regulatory Assets

Purpose: to record expenditures related to addressing a change to the definition of the Bulk Electric System.

2. Variance Sub-account "East-West Tie Line Initiatives" of Account 1508 - Other Regulatory Assets

Purpose: to record variances related to expenses allocated to East-West Tie Line initiatives.

GLPT shall establish the following deferral account effective as of March 22, 2012:

3. Deferral Sub-account "East-West Tie Line Proceeding" of Account 1508 - Other Regulatory Assets

Purpose: to record costs incurred by GLPT to support the Board through the East-West Tie designation process (EB-2011-0140) as set out in pages 4-6 of the Board's Decision and Order dated July 12, 2012 for proceeding EB-2012-0180 under the heading "Support Costs for OEB Designation Process".

Detailed accounting entries for the above two sub-accounts are attached as Attachment A.

## Attachment A

### Proposed Accounting Entries

USofA #      Account Description

#### 1) Impact of Changes to Bulk Electric System Definition

Dr: 48XX            Operational Transmission Expense account series

Cr: 2205            Accounts Payable

To record preliminary recognition of the costs related to addressing a change to the definition of the Bulk Electric System – GLPT’s costs incurred.

Dr: 1508            Other Regulatory Assets – Sub account “Bulk Electric System Deferral Account”

Cr: 48XX            Operational Transmission Expense account series

To record incremental costs incurred from addressing a change to the definition of the Bulk Electric System in a deferral account for future disposition (includes consulting, incremental administration and incremental labour).

Dr: 1508            Other Regulatory Assets – Sub account “Bulk Electric System Deferral Account”

Cr: 4405            Interest and Dividend Income

To record interest on the principal balance of the “Bulk Electric System Deferral Account”.

#### 2) East-West Tie Line Initiatives Variance Account

Dr: 56XX            Administrative and General Expense account series

Cr: 2205            Accounts Payable

To record the initial costs related to the East West Tie Line project (includes consulting, administration and labour).

Dr: 1110            Other Accounts Receivable

Cr: 56XX            Administrative and General Expense account series

To record the transfer of costs allocated to the East West Tie Line project (includes consulting, administration and labour).

Dr: 1508 Other Regulatory Assets – Sub account “East-West Tie Line Initiatives Variance Account”

Cr: 56XX Administrative and General Expense account series  
To record the variance in costs allocated to the East West Tie Line project (includes consulting, administration and labour), to the extent the total costs allocated are lower than the credit included in GLPT’s test year OM&A (\$550,000 in 2013, \$340,000 in 2014), for future disposition.

Dr: 56XX Administrative and General Expense account series

Cr: 1508 Other Regulatory Assets – Sub account “East-West Tie Line Initiatives Variance Account”

To record the variance in costs allocated to the East West Tie Line project (includes consulting, administration and labour), to the extent the total costs allocated are higher than the credit included in GLPT’s test year OM&A (\$550,000 in 2013, \$340,000 in 2014), for future disposition.

Dr./Cr 1508 or 6035 Other Regulatory Assets-Sub account “East-West Tie Line Initiatives Variance Account” or Other Interest Expense

Cr./Dr. 4405 or 1508 Interest and Dividend Income or Other Regulatory Assets – Sub account “East-West Tie Line Initiatives Variance Account

To record interest on the principal balance of the “East West Tie Line Initiatives Variance Account”.

### **3) East West Tie Deferral Account – Support Costs for OEB Designation Process**

Dr: 48XX Operational Transmission Expense account series Cr:2205 Accounts Payable

To record preliminary recognition of the support costs for the East West Tie OEB designation process – GLPT’s costs incurred.

Dr: 1508 Other Regulatory Assets – Sub account “East West Tie Deferral Account – Support Costs for OEB Designation Process”

Cr: 48XX Operational Transmission Expense account series  
To record incremental costs incurred from supporting the OEB in the East West Tie Designation Proceeding in a deferral account for future disposition (includes consulting, incremental administration and incremental labour).

Dr: 1508 Other Regulatory Assets – Sub account “East West Tie  
Deferral Account – Support Costs for OEB Designation  
Process”

Cr: 4405 Interest and Dividend Income  
To record interest on the principal balance of the “East West Tie Deferral  
Account”.