



EB-2006-0501

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 Hydro
One Networks Inc. for an Order or Orders approving
or fixing just and reasonable rates and other charges
for the transmission of electricity commencing
January 1, 2007.

PROCEDURAL ORDER NO. 4

Hydro One Networks Inc. ("Hydro One" or the "Company") filed an Application, dated September 12, 2006, with the Ontario Energy Board under section 78 of the *Ontario Energy Board Act 1998, S.O. 1998, c.15, Schedule B*. The Board has assigned file number EB-2006-0501 to the Application and has issued a Notice of Application dated October 17, 2006.

Procedural Order No. 1 was issued by the Board on November 30, 2006 outlining the schedule for the hearing which included a draft Issues List to be used for discussion at the Issues Conference, held on December 8, 2006.

Procedural Order No. 2 was issued on December 20, 2006 approving the Issues List for this proceeding and accepting a request to change the date for the filing of intervenor evidence. An amended timeline for the hearing was established to accommodate this change.

Procedural Order No. 3 was issued on March 2, 2006 advising that the evidentiary phase of the oral hearing will commence at 9:30 a.m. on Monday, April 23, 2007 at 2300 Yonge Street, Toronto in the Board's North hearing room, and continue for up to 15 hearing days. The oral hearing will be recessed from

Friday, April 27, 2007 until Friday May, 4, 2007, and will resume on Monday, May 7, 2007.

In its application filed in September 2006, and by letter dated February 14, 2007, Hydro One requested that a 2007 revenue deficiency deferral account be established beginning January 1, 2007 to record the revenue deficiency between the approved revenue for 2007 and the forecasted revenues at currently approved transmission rates. Hydro One has requested a decision from the Board on this issue by March 31, 2007

The Board considers it necessary to make provision for the following procedural matters. Please be aware that further procedural orders may be issued from time to time.

THE BOARD ORDERS THAT:

1. Hydro One file with the Board, by end of day Wednesday March 14, 2007, a written submission that addresses the following issues:
 - The need for the revenue deficiency deferral account;
 - Why the issue of the account must be dealt with on an expedited basis;
 - What will be booked into the account, and the accounting entries that are proposed to be made;
 - The date upon which Hydro One proposes to start booking entries into the account; and
 - What if any consequences follow if the account is not established at all, or is not established prior to March 31, 2007, as requested.
2. All interveners respond in writing to Hydro One's submissions, by end of day Monday, March 19, 2007.
3. Hydro One file any written reply by end of day Wednesday March 21, 2007.

All parties shall file their submissions with the Board Secretary, 10 hard copies and one electronic copy in searchable PDF format at boardsec@gov.on.ca , by 4:00 p.m. on the date indicated, and copy all parties. Parties must also include the Case Manager, Harold Thiessen harold.thiessen@oeb.gov.on.ca and Board

Counsel, Donna Campbell donna.campbell@oeb.gov.on.ca on all electronic correspondence related to this case.

DATED at Toronto, March 12, 2007.

ONTARIO ENERGY BOARD

Original signed by

Peter H. O'Dell
Assistant Board Secretary