



EB-2014-0311

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 accounting order to establish a deferral account to be effective October 1, 2014.

BEFORE: Ken Quesnelle
Presiding Member

Marika Hare
Member

ACCOUNTING ORDER

May 7, 2015

Hydro One Networks Inc. (Hydro One) filed an accounting order application with the Ontario Energy Board, (the OEB) on October 3, 2014 under section 78.1 of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15 (Schedule B). The application sought approval to establish a deferral account for the purpose of recording expenses relating to the North West Bulk Transmission Line (NWBTL) Project.

On March 27, 2015, the OEB approved Hydro One's application for the NWBTL deferral account, to be effective on March 27, 2015. Hydro One was ordered to file a draft Accounting Order with the OEB and intervenors no later than April 7, 2015. As ordered by the OEB, on April 2, 2015 Hydro One filed its draft Accounting Order.

No comments on the draft Accounting Order were filed by OEB staff or intervenors.

THE BOARD ORDERS THAT:

1. The North West Bulk Transmission Line Accounting Order, attached as Appendix A is approved to be effective on March 27, 2015.

DATED at Toronto, May 7, 2015

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

**Accounting Order
Hydro One Networks Inc.
EB-2014-0311
NORTH WEST BULK TRANSMISSION LINE PROJECT**

This accounting order is intended to reflect the Board's Decision in EB-2014-0311. Hydro One Networks Inc. shall establish the following Deferral Account effective March 27, 2015:

Account 1508, Other Regulatory Assets – Sub-account, North West Bulk Transmission Line Deferral Account – Preliminary Engineering and Planning Costs

Carrying charges shall be determined by applying the Board approved rate pursuant to the Board's interest rate policy, and recorded in a sub-account of this account. Simple interest shall be calculated on the opening monthly principal balance of the account. The amounts recorded shall be brought forward for disposition in Hydro One Network Inc.'s next Transmission Cost of Service application.

Journal Entries to be recorded:

Dr: 4XXX Transmission Expense account range
Cr: 2205 Accounts Payable

To record the preliminary recognition of Hydro One's preliminary engineering and planning costs incurred for the NWBTL Project prior to the selection of a preferred alternative.

Dr: 1508 Other Regulatory Assets – Sub account "North West Bulk Transmission Line Deferral Account – Preliminary Engineering and Planning Costs"

Cr: 4XXX Transmission Expense account range

Where Hydro One incurs incremental costs due to the NWBTL Project, during the phase prior to identification of a preferred alternative, this entry will record the costs for preliminary engineering and planning of the NWBTL Project in a deferral account for future disposition.

Dr: 1508 Other Regulatory Assets – Sub account "North West Bulk Transmission Line Deferral Account - Preliminary Engineering and Planning Costs –Interest Improvement"

Cr: 6035 Other Interest Expense

To record interest improvement on the principal balance of the "North West Bulk Transmission Line Deferral Account".