

Hydro One Networks Inc.

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BY EMAIL AND RESS

September 12, 2022

Ms. Nancy Marconi
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Marconi,

EB-2022-0145 – Hydro One Networks' Inc. – Application for Exemptions from Provisions in the Distribution System Code and for an Accounting Order – Updated Accounting Order

In accordance with the Ontario Energy Board's Decision and Order, dated September 1, 2022, please see Hydro One Networks Inc.'s updated draft accounting order that has been submitted using the Board's Regulatory Electronic Submission System.

Sincerely,

A handwritten signature in black ink, appearing to be "Jeffrey Smith", written in a cursive style.

Jeffrey Smith

Encls.

APPENDIX A

HYDRO ONE DISTRIBUTION DRAFT ACCOUNTING ORDER ACCOUNT 1508 – OTHER REGULATORY ASSETS, SUB-ACCOUNT SEASONAL CLASS ELIMINATION DEFERRAL ACCOUNT

Hydro One Distribution proposes the establishment of a new Account 1508 – Other Regulatory Assets, Sub-Account “Seasonal Class Elimination Deferral Account” to record the revenue requirement impact of the costs associated with the implementation of the seasonal class elimination.

The account will be established as Account 1508 – Other Regulatory Assets, Sub-Account “Seasonal Class Elimination Deferral Account” effective January 1, 2022. Hydro One Distribution will record interest on the balance in the sub-account using the interest rates set by the OEB. Simple interest will be calculated on the opening monthly balance of the account until the balance is fully disposed.

The following outlines the proposed accounting entries for this deferral account.

<u>USofA #</u>	<u>Account Description</u>
DR 1508	Other Regulatory Assets, Sub-Account “Seasonal Class Elimination Deferral Account”
CR XXXX	Account(s) associated with incremental costs, as Applicable

Initial entry to record into the Seasonal Class Elimination Deferral Account.

<u>USofA #</u>	<u>Account Description</u>
DR 1508	Other Regulatory Assets, Sub-Account “Seasonal Class Elimination Deferral Account”
CR 6035	Other Interest Expense

To record interest improvement on the principal balance of the Seasonal Class Elimination Deferral Account.