



Ontario  
Energy  
Board | Commission  
de l'énergie  
de l'Ontario

**BY EMAIL**

January 15, 2025

Ms. Nancy Marconi  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4  
[Registrar@oeb.ca](mailto:Registrar@oeb.ca)

Dear Ms. Marconi:

**Re: Ontario Energy Board (OEB) Staff Submission  
Chatham x Lakeshore Limited Partnership (CLLP)  
2025-2029 Electricity Transmission Rates  
OEB File Number: EB-2024-0216**

---

In accordance with the Decision and Order issued on December 17, 2024, please find attached OEB staff's comments on the draft Accounting Order for the Tax Rate and Rule Changes Variance Account, filed by CLLP on January 9, 2025, for the above referenced proceeding.

Yours truly,

*Original Signed By*

Abla Nur  
Analyst, Generation & Transmission

Encl.

cc: All parties in EB-2024-0216



# **ONTARIO ENERGY BOARD**

## **OEB Staff Submission On Draft Accounting Order**

**Chatham x Lakeshore Limited Partnership (CLLP)**

**2025-2029 Electricity Transmission Rates**

**EB-2024-0216**

**January 15, 2025**

## Tax Rate and Rule Changes Variance Account – Draft Accounting Order

The OEB issued a letter on July 25, 2019 establishing a separate sub-account of Account 1592 – PILs and Tax Variances, for CCA Changes (“CCA Changes Letter”) specifically for the purpose of tracking the impact of changes in CCA rules. Electricity distributors and transmitters are to use this sub-account for the impact of the Bill C-97 CCA rule changes as well as any future CCA changes instituted by relevant regulatory or taxation bodies. Further, the OEB expects that all distributors and transmitters will record the full revenue requirement impact of any changes in CCA rules that are not reflected in base rates. The impacts should be recorded as of the effective date of the changes in CCA rules, which for the Bill C-97 changes is November 21, 2018.

OEB staff has reviewed CLLP’s Draft Accounting Order for Account 1592, sub-account CCA Changes filed January 9, 2025<sup>1</sup> and notes differences between this draft and previously approved accounting orders for the same sub account for similar entities (i.e. other Hydro One transmission partnerships). It is not clear to OEB staff why the CLLP version of the Draft Accounting Order is different from those of similar entities. The differences relate to the accounts impacted and the journal entries provided.<sup>2</sup> In addition, OEB staff notes that the revenue requirement impact of the CCA changes is not mentioned in the Draft Accounting Order, and this is an important component of the guidance in the CCA Changes Letter.

Because the regulatory and operational contexts for CLLP align closely with those of other Hydro One transmission partnerships, it would be reasonable for CLLP to adopt a similar approach for its Account 1592 sub-account CCA changes to the approach used for those entities as reviewed and approved by the OEB in those respective proceedings. Maintaining consistency in the design of Account 1592 sub-accounts prevents undue variability in how utilities track the impacts of accelerated CCA provisions. Further, a standardized approach simplifies regulatory oversight.

OEB staff submits that CLLP should revise its Draft Accounting Order for Account 1592 – sub-account CCA Changes to align with the accounting orders for the same sub-account approved by the OEB for NRLP (EB-2018-0275) and B2M LP (EB-2015-0026).

~All of which is respectfully submitted~

---

<sup>1</sup> [Draft Transmission Accounting Order – Tax Rate and Rule Changes Variance Account](#)

<sup>2</sup> As in NRLP (EB-2018-0275) and B2M LP (originally approved in EB-2015-0026, continued and approved in EB-2019-0178 and EB-2024-0116)