

**Ontario Energy Board**  
P.O. Box 2319  
2300 Yonge Street  
27th Floor, Suite 2701  
Toronto ON M4P 1E4  
Telephone: 416 481-1967  
Facsimile: 416 440-7656

**Commission de l'énergie de l'Ontario**  
C.P. 2319  
2300, rue Yonge  
27<sup>e</sup> étage, bureau 2701  
Toronto ON M4P 1E4  
Téléphone : 416 481-1967  
Télécopieur : 416 440-7656



## **For Immediate Release**

February 21, 2006

### **OEB Establishes Earnings Sharing Mechanism for Hydro One Transmission**

**Toronto** – Today, the Ontario Energy Board (the Board) issued a Decision to establish a new deferral account to record any over-earnings realized in 2006 through Hydro One Networks Inc. (Hydro One) transmission rates.

The Board will review Hydro One's audited financial statements (Transmission) as the basis for determining earnings for 2006. Any excess earning in 2006 shall be shared 50:50 between shareholders and ratepayers.

In October 2005, the Board began a proceeding to determine whether the transmission rates of Hydro One were just and reasonable, and to approve or fix just and reasonable rates.

As part of the proceeding, the Board considered how to deal with utility earnings for the period of January 1, 2006 until revised transmission rates are implemented. The Board's introduction of the deferral account was the result of its reluctance to have existing transmission rates declared interim for the prolonged period that might occur should Hydro One not be able to file for revised rates in the near future.

The Ontario Energy Board regulates the province's electricity and natural gas sectors in the public interest. It envisions a healthy and efficient energy sector with informed consumers, and works towards this vision through regulatory processes that are effective, fair and transparent.

For more information on the Board, please visit our Web site at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca) or contact the Consumer Relations Centre at 416-314-2455 or toll-free at 1-877-632-2727.

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For more information please contact:

Vanda Wall  
Ontario Energy Board  
416-440-8149