



EB-2009-0003

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15, Schedule B;

AND IN THE MATTER OF an application pursuant to
section 74 of the *Ontario Energy Board Act, 1998* by
Hydro One Brampton Networks Inc. seeking an order to
amend the current Electricity Distribution Licences of
Hydro One Brampton Networks Inc. and Enersource
Hydro Mississauga Inc. (ED-2003-0038 and ED-2003-
0017-respectively);

AND IN THE MATTER OF an application pursuant to
section 86(1)(b) of the *Ontario Energy Board Act, 1998* by
Hydro One Brampton Networks Inc. seeking an order
granting leave to sell distribution assets necessary in
serving the public to Enersource Hydro Mississauga Inc.

By delegation, before: Jennifer Lea

DECISION AND ORDER

THE APPLICATION

Hydro One Brampton Networks Inc. with the consent of Enersource Hydro Mississauga Inc. filed an application with the Ontario Energy Board on December 31, 2008 under sections 74 and 86(1)(b) of the *Ontario Energy Board Act, 1998*.

The application addresses the long term load transfer (“LTLT”) arrangements between Hydro One Brampton and Enersource. A load transfer is a situation in which a customer is located in the licensed service area of one distributor (the “geographic distributor”) but is physically served electricity by another distributor (the “physical distributor”).

Section 6.5.4 of the Board's Distribution System Code ("DSC") requires geographic distributors to eliminate long term load transfer arrangements by either negotiating the transfer of the customers to the physical distributor or by the geographic distributor extending its system to connect the customers.

The application seeks an order of the Board to:

- (a) amend the distribution service areas of Hydro One Brampton and Enersource to reflect the transfer of three customers from Hydro One Brampton to Enersource; and
- (b) approve the sale from Hydro One Brampton to Enersource of distribution assets necessary in serving the three customers proposed to be transferred from Hydro One Brampton to Enersource.

Service Area Amendment

The proposed service area amendment would transfer three customers to Enersource's licensed service area. The customers are currently located within Hydro One Brampton's licensed service area and are customers of Hydro One Brampton but are physically served electricity by Enersource under a LTLT agreement between the two distributors. If the proposed amendment is approved, these customers will be billed and otherwise served by Enersource as Enersource customers. The customers are located within the Hydro One Networks Inc. High Voltage Tower Line Corridor located immediately west of Mavis Road south of Highway 407.

Sale of Distribution Assets

The assets proposed to be sold to Enersource by Hydro One Brampton consist of two 3/0 Al quadraplex low voltage service cables and duct. A nominal value of \$1 plus GST has been assigned to the assets as Hydro One Brampton was reimbursed for the full cost of installation through a capital contribution from a customer. The assets will continue to be used to serve the same customers presently served by the assets.

THE PROCEEDING

The Board assigned file number EB-2009-0003 to the application and issued a Notice of Application and Written Hearing on February 6, 2009. The Notice was served upon the three customers proposed to be transferred to Enersource from Hydro One Brampton. No one responded to the Notice.

FINDINGS

The service area amendment and the sale of assets are prompted by the Board's policy that requires the elimination of long term load transfers.

The applicant stated that the proposed service area amendment is the most cost-efficient approach for eliminating the subject LTLT arrangements. In addition, the applicant indicated that the proposed service area amendment will have no impact on service quality. The current distribution rates for the customers being transferred from Hydro One Brampton to Enersource will not increase as a result of the service area amendment.

With respect to the sale of the distribution assets from Hydro One Brampton to Enersource, the applicant stated that the assets have been serving the customers for several years and that it would be uneconomical for Hydro One Brampton to remove the assets and for Enersource to install new assets to serve the same customers.

Based on the evidence, I find that it is in the public interest to amend Schedule 1 of both Hydro One Brampton and Enersource's electricity distribution licences to reflect the transfer of the subject customers from Hydro One Brampton to Enersource as requested by the applicant. I also find that it is in the public interest to grant Hydro One Brampton leave to sell the assets described in the application to Enersource.

IT IS THEREFORE ORDERED THAT:

1. Hydro One Brampton Networks Inc.'s electricity distribution licence (ED-2003-0038), specifically Schedule 1 of the licence, is amended to exclude the following lands in the City of Brampton:
 - (a) lands located 50m west of the centre-line of Mavis Road and 128m north of the City of Mississauga Boundary; and
 - (b) lands located 70m west of the centre-line of Mavis Road and 75m north of the City of Mississauga Boundary.
2. Enersource Hydro Mississauga Inc.'s electricity distribution licence (ED-2003-0017), specifically Schedule 1 of the licence, is amended to include the following lands in the City of Brampton:
 - (a) lands located 50m west of the centre-line of Mavis Road and 128m north of the City of Mississauga Boundary; and

(b) lands located 70m west of the centre-line of Mavis Road and 75m north of the City of Mississauga Boundary.

3. Hydro One Brampton Networks Inc. is granted leave to sell the assets described in the application to Enersource Hydro Mississauga Inc.

DATED at Toronto, March 31, 2009

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea
Counsel, Special Projects