



EB-2009-0041

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
Enersource Hydro Mississauga Inc. and Halton Hills
Hydro Inc. seeking an order to amend their current
Electricity Distribution Licences (ED-2003-0017) and (ED-
2002-0552) respectively;

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

By delegation, before: Jennifer Lea

DECISION AND ORDER

THE APPLICATION

Enersource Hydro Mississauga Inc. filed a joint application with Halton Hills Hydro Inc. on February 3, 2009 under sections 74 and 86(1)(b) of the *Ontario Energy Board Act, 1998*.

The application addresses the long term load transfer (“LTLT”) arrangement between Enersource Hydro and Halton Hills Hydro. 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 Enersource Hydro and Halton Hills Hydro to reflect the transfer of two customers from Enersource Hydro to Halton Hills Hydro; and
- (b) approve the sale from Enersource Hydro to Halton Hills Hydro of distribution assets necessary in serving the two customers proposed to be transferred from Enersource Hydro to Halton Hills Hydro.

Service Area Amendment

The proposed service area amendment would transfer two customers to Halton Hills Hydro's licensed service area. The customers are currently located within Enersource Hydro's licensed service area and are customers of Enersource Hydro but are physically served electricity by Halton Hills Hydro under a LTLT agreement between the two distributors. If the proposed amendment is approved, the customers will be billed and otherwise served by Halton Hills Hydro as Halton Hills Hydro customers. The customers are located on Winston Churchill Blvd, between Hwy 401 and Meadowpine Blvd with the civic address number 7575.

Sale of Distribution Assets

Enersource Hydro is seeking approval to sell certain assets that are part of its distribution system to Halton Hills Hydro for the net book value of the assets. The assets proposed to be sold consist of two wood poles and related attachments. A nominal value of \$1 plus GST has been assigned to the assets. 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-2009-0041 to the application and issued its Notice of Application and Written Hearing on February 11, 2009. The Notice was served upon the customers located on the lands that are the subject of the application. 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 applicants stated that the proposed service area amendment is the most cost-efficient approach for eliminating the subject LTLT arrangements. In addition, the evidence indicates that the two customers being transferred from Enersource Hydro to Halton Hills Hydro will not experience significant rate or service impact as a result of the service area amendment.

With respect to the sale of the distribution assets from Enersource Hydro to Halton Hills Hydro, the applicants stated that the assets have been serving both customers for six years and that it would be uneconomical for Enersource Hydro to remove the assets and for Halton Hills Hydro 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 Enersource Hydro and Halton Hills Hydro's electricity distribution licences to reflect the transfer of the subject customers from Enersource Hydro to Halton Hills Hydro as requested by the applicants. I also find that it is in the public interest to grant Enersource Hydro leave to sell the assets described in the application to Halton Hills Hydro.

IT IS THEREFORE ORDERED THAT:

1. Enersource Hydro Mississauga Inc.'s electricity distribution licence (ED-2003-0017), specifically Schedule 1 of the licence, is amended as of April 1, 2009 to

- 4 -

exclude the lands located on Winston Churchill Blvd, between Hwy 401 and Meadowpine Blvd with the civic address number 7575.

2. Halton Hills Hydro Inc.'s Electricity Distribution Licence (ED-2002-0552), specifically Schedule 1 of the licence, is amended as of April 1, 2009 to include the lands located on Winston Churchill Blvd, between Hwy 401 and Meadowpine Blvd with the civic address number 7575.
3. Enersource Hydro Mississauga Inc. is granted leave to sell the assets described in the application to Halton Hills Hydro Inc.

DATED at Toronto, March 31, 2009

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea
Counsel, Special Projects