

**Hydro One Networks Inc.**

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www.HydroOne.com

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allan.cowan@HydroOne.com

**Allan Cowan**

Director - Applications  
Regulatory Affairs



May 17, 2010

BY COURIER

Ms. Kirsten Walli  
Secretary  
Ontario Energy Board  
2300 Yonge Street, Suite 2700  
Toronto, ON  
M4P 1E4

Dear Ms. Walli:

**Hydro One Networks' Request for Leave to Sell Distribution Assets to Linwood Management doing business as Deer Lake Resort Inc. ("Deer Lake Resort")**

Hydro One Networks seeks the Board's approval under Section 86(1)(b) of *the Ontario Energy Board Act* ("the Act"), 1998, for leave to sell assets to Linwood Management doing business as Deer Lake Resort Inc. ("Deer Lake Resort"). Given that the proposed sale has no material effect on any other party, we ask that the Board dispose of this proceeding without a hearing under Section 21(4)(b) of *the Act*.

The assets being sold in this transaction are described in the attached application and are illustrated in the attached map.

Should you have any questions on this application, please contact Yoon Kim at (416) 345-5228 or via email at Yoon.Kim@HydroOne.com.

Sincerely,

ORIGINAL SIGNED BY ALLAN COWAN

Allan Cowan

Attachment



## Application Form for Applications Under Section 86(1)(b) of the *Ontario Energy Board Act, 1998*

### Application Instructions

#### 1. Purpose of This Form

This form is to be used by parties applying under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act"). Please note that the Board may require information that is additional or supplementary to the information filed in this form and that the filing of the form does not preclude the applicant from filing additional or supplementary information.

#### 2. Completion Instructions

This form is in a writeable PDF. The applicant must either:

- type answers to all questions, print two copies, and sign both copies; or
- print a copy of the form, clearly print answers to all questions, make a copy, and sign both copies.

Please send both copies of the completed form and two copies of any attachments to:

Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON M4P 1E4

If you have any questions regarding the completion of this application, please contact the Market Operations Hotline by telephone at 416-440-7604 or 1-888-632-6273 or email at [market.operations@oeb.gov.on.ca](mailto:market.operations@oeb.gov.on.ca).

The Board's "Performance Standards for Processing Applications" are indicated on the "Corporate Information and Reports" section of the Board's website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca). Applicants are encouraged to consider the timelines required to process applications to avoid submitting applications too late. If the submitted application is incomplete, it may be returned by the Board or there may be a delay in processing the application.

### PART I: IDENTIFICATION OF PARTIES

#### 1.1 Name of Applicant

Legal name of the applicant:	<b>Hydro One Networks Inc.</b>
Name of Primary Contact:	<b>Yoon Kim</b>
Title/Position:	<b>Applications Analyst, Regulatory Affairs</b>
Address of Head Office:	<b>483 Bay Street, South Tower 8<sup>th</sup> Floor, Toronto, M5G 2P5</b>
Phone:	<b>416-345-5228</b>
Fax:	<b>416-345-5866</b>
Email:	<b>Yoon.Kim@HydroOne.com</b>

#### 1.2 Other Party to the Transaction (If more than one attach a list)

Name of other party:	<b>Linwood Management</b>
Name of Primary Contact:	<b>Paul Colvin</b>
Title/Position:	<b>President</b>
Address of Head Office:	<b>143 Willowdale Ave., Suite 200, North York, ON M2N 4Y5</b>
Phone:	<b>416-481-5100</b>
Fax :	<b>416-481-5161</b>
Email :	<b>paulc@castlevacationparks.com</b>

- 1.3 If the proposed recipient is not a licensed distributor or transmitter, is it a distributor or transmitter that is exempted from the requirement to hold a distribution or transmission licence?

☒ Yes  
☐ No

**The recipient is not a licensed distributor. While section 57 of the OEB Act (“the Act”) requires a distributor to hold a licence, section 4.0.1(1)(b) of Ontario Regulation 161/99 provides an exemption to section 57 of the Act for a distribution system owned or operated by the distributor that is entirely located on land owned or leased by the distributor. As such, since the assets to be sold are entirely on land owned by the recipient, Linwood Management doing business as Deer Lake Resort Inc. (“Deer Lake Resort”) would be exempted from section 57 of the Act.**

## PART II: DESCRIPTION OF ASSETS TO BE TRANSFERRED

- 2.1 Please provide a description of the assets that are the subject of the proposed transaction.

**The assets to be sold consist of five overhead distribution transformers (two - 25kVA transformers, years 1982 and 1987, and three – 50kVA transformers, years 1976, 1979 and 2001) on customer owned poles at the service location.**

- 2.2 Please indicate where the assets are located – whether in the applicant’s service area or in the proposed recipient’s service area (if applicable). Please include a map of the location.

**The assets are located at 85 Hutcheson Beach Road, Huntsville, Ontario, Lot 8 Concession 3 in Chaffey Twp. (Please see Attachment 2 – Map)**

- 2.3 Are the assets surplus to the applicant’s needs?

☐ Yes  
☒ No

If yes, please indicate why the assets are surplus and when they became surplus.

- 2.4 Are the assets useful to the proposed recipient or any other party in serving the public?

☒ Yes  
☐ No

If yes, please indicate why.

**The assets are useful only to serve customers of Deer Lake Resort.**

- 2.5 Please identify which utility’s customers are currently served by the assets.

**Hydro One.**

- 2.6 Please identify which utility’s customers will be served by the assets after the transaction and into the foreseeable future.

**The assets will continue to serve the same Hydro One customer. After the sale, the assets will be owned by the customer instead of the utility, but Hydro One will continue to supply electricity to this**

**customer.**

### PART III: DESCRIPTION OF THE PROPOSED TRANSACTION

3.1 Will the proposed transaction be a sale, lease or other?

- ☒ Sale  
☐ Lease  
☐ Other

If other, please specify.

3.2 Please attach the details of the consideration (e.g. cash, assets, shares) to be given and received by each of the parties to the proposed transaction.

**This is a cash sale. The sale price is \$4,556.<sup>98</sup> plus GST. The sale price covers the net book value of the assets.**

3.3 Would the proposed transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties?

- ☐ Yes  
☒ No

If yes, please explain how.

3.4 Would the proposed transfer impact distribution or transmission rates of the applicant?

- ☐ Yes  
☒ No

If yes, please explain how.

3.5 Will the transaction adversely affect the safety, reliability, quality of service, operational flexibility or economic efficiency of the applicant or the proposed recipient?

- ☐ Yes  
☒ No

If yes, please explain how.

### PART IV: WRITTEN CONSENT/JOINT AGREEMENT

4.1 Please provide the proposed recipient's written consent to the transfer of the assets by attaching:

- (a) a letter from the proposed recipient consenting to the transfer of the assets;
- (b) a letter or proposed sale agreement jointly signed by the applicant and the proposed recipient agreeing to the transfer of the assets; or
- (c) the proposed recipient's signature on the application.

**(a) The letter is found in Attachment 1.**

**PART V: REQUEST FOR NO HEARING**

- 5.1 Does the applicant request that the application be determined by the Board without a hearing? If yes, please provide:
- (a) an explanation as to how no person, other than the applicant or licence holder, will be adversely affected in a material way by the outcome of the proceeding; and
  - (b) the proposed recipient's written consent to dispose of the application without a hearing.

**(a) The line serving the park terminates at the customer's site. The transfer of ownership will have no effect on any other customers connected to the feeder. There will be no changes in the operation of the feeder, therefore no change in service to other customers or persons.**

**(b) The letter is found in Attachment 1.**

**PART VI: OTHER INFORMATION**

- 6.1 Please provide the Board with any other information that is relevant to the application. When providing this additional information, please have due regard to the Board's objectives in relation to electricity.

**PART VII: CERTIFICATION AND ACKNOWLEDGMENT STATEMENT**

7.1 Certification and Acknowledgment

I certify that the information contained in this application and in the documents provided are true and accurate.

Signature of Key Individual	Print Name of Key Individual	Title/Position
ORIGINAL SIGNED BY ALLAN COWAN	<b>Allan Cowan</b>	<b>Director – Applications</b>
	Date May 17, 2010	Company <b>Hydro One Networks Inc.</b>

(Must be signed by a key individual. A key individual is one that is responsible for executing the following functions for the applicant: matters related to regulatory requirements and conduct, financial matters and technical matters. These key individuals may include the chief executive officer, the chief financial officer, other officers, directors or proprietors.)

## **ATTACHMENT 1- Letters**



May 4, 2010

Deer Lake Resort Inc.  
c/o Linwood Management  
Suite 200  
143 Willowdale Ave  
North York, Ontario  
M2N 4Y5

Re: Deer Lake Resort

To Whom It May Concern:

This letter is to advise you of the progress that is being made regarding the sale of Hydro One assets in the Deer Lake Resort.

Based on your response to our initial letter, you have elected to purchase the assets noted below.

Please sign below indicating your intention to purchase the assets as noted below, and return to us in the self-addressed envelope. Upon receipt of the signed letter, we will proceed to obtain approval from the Ontario Energy Board.

After official approvals have been obtained, Deer Lake Resort will proceed with the installation of their own load break switch and bring the electrical system within the park up to the Electrical Safety Inspection standards, if required, as noted by the report completed by ESA. Hydro One will install a primary metering unit, to meter the park.

Deer Lake Resort agrees to purchase the five (5) transformers now owned by Hydro One, with the boundaries of the Deer Lake Resort for a total price of \$4,556.98 plus GST (\$4,784.83).

Signature of Deer Lake Representative

PAUL COLVIN, PRESIDENT      MAY 6/2010  
Name (please print)      Signature      Date

Thank you for your co-operation in this matter.

Sincerely,

Jenni Dunseith

Jenni Dunseith  
Lines Customer Support Clerk  
Field Business Centre  
Zone 5  
Phone: 1-888-238-2398 ext 6346



CUSTOMER COPY

January 14, 2010

Hydro One Networks Inc.  
TCT 13 B6  
483 Bay Street  
Toronto, Ontario  
M5G 2P5

Re: Deerhurst Lake Resort

It is our understanding that approvals required by the Ontario Energy Board (OEB) for the sale of assets by Hydro One. Deerhurst Lake Resort fully supports Hydro One's actions with the Board to obtain approval of this minor transaction without a hearing.

We would like to expedite this process as ownership of the assets enables us to complete work on the campground.

Furthermore, no other party would be affected by this sale. Therefore, we would appreciate an approval of this transaction as soon as possible.

Thank-you for your assistance in this matter.

DEER LAKES RESORT INC.

Name Owner

Signature

Date

Name Owner

Signature

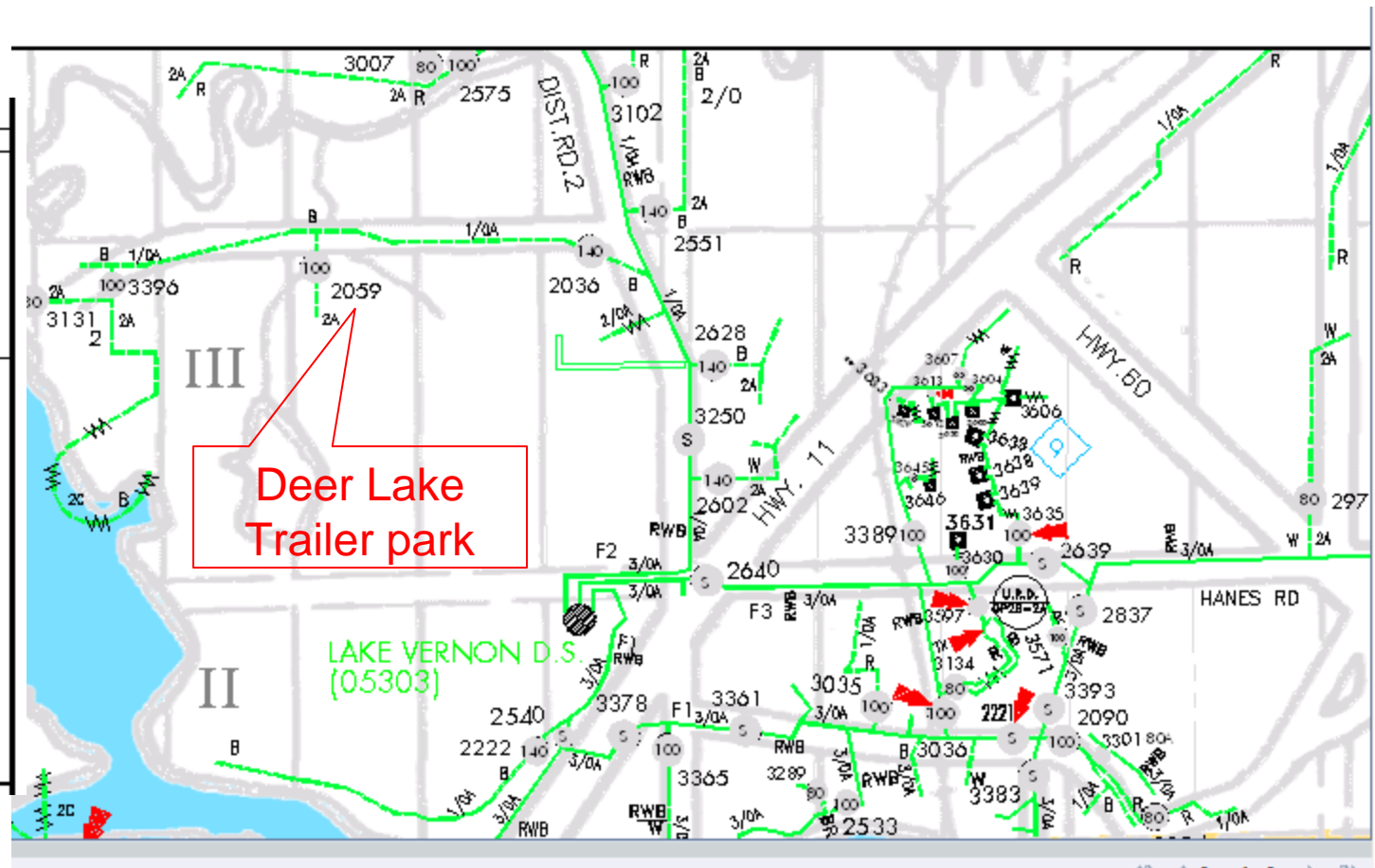
Date

Deerhurst Lake Resort  
c/o Linwood Management  
Suite 200  
143 Willowdale Ave  
North York, Ontario M2N 4Y5



## **ATTACHMENT 2- Map**

LEGEND	
SYMBOL	DESCRIPTION
	3# PRIMARY (10/27.6 KV)
	2# PRIMARY
	1# PRIMARY
	3# PRIMARY (7.2/12.48 KV)
	2# PRIMARY
	1# PRIMARY
	3# PRIVATE (7.2/12.48 KV)
	2# PRIVATE
	1# PRIVATE
	SWITCHING VAULT
	OPENER & NUMBER
	SWITCH, NUMBER & FUSE SIZE
	AIR BREAK SWITCH
	LOAD BREAK SWITCH
	RECLOSER, NUMBER, TYPE & SIZE
	RABBIT - STEP DOWN TRANSFORMER
	CAPACITOR
	SUBDIVISION REFERENCE NUMBER
	METERING UNIT
	OPEN POINT
	UNDERGROUND CABLE
	DISTRIBUTION STATION
	NET METERING LOCATION
	SINGLE REGULATOR & SIZE
	2-PHASE REGULATOR & SIZE
	3-PHASE REGULATOR & SIZE



**Location: 85 Hutcheson Beach Rd, Huntsville On  
Lot 8 Con 3 Chaffey Twp**