



EB-2012-0228

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 86(1)(b) of the *Ontario Energy Board Act*,
1998 by Welland Hydro Electric System Corp.,
seeking an order granting leave to transfer ownership
of distribution system assets to Loblaw Companies
Limited.

By delegation, before: Adrian Pye

DECISION AND ORDER
May 3, 2012

THE APPLICATION

Welland Hydro Electric System Corp. ("Welland Hydro") filed an application with the Ontario Energy Board on April 27, 2012 under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act") for a Board order granting Welland Hydro leave to transfer ownership of certain distribution system assets to Loblaw Companies Limited ("Loblaw").

The assets consist of one test block and assorted wiring and cabling (the "metering assets") and are located at 821 Niagara St. North, Welland, Ontario.

The assets to be transferred to Loblaw have no book value.

FINDINGS

Based on the evidence, I find that there are benefits to the proposed transaction, and no negative consequences have been identified. It is therefore in the public interest to

grant Welland Hydro leave to transfer ownership of the metering assets to Loblaw. The following facts are relevant to this decision.

Section 86(1)(b) of the Act provides that leave of the Board is required before a transmitter or a distributor can “sell, lease or otherwise dispose of that part of its transmission or distribution system that is necessary in serving the public.” The assets that are the subject of this transaction are necessary in serving the public.

The transaction is for the purposes of transferring ownership of the metering assets to Loblaw to use these assets for wholesale metering as an Independent Electricity System Operator market participant. Welland Hydro states that the assets proposed to be transferred to Loblaw exclusively serve and will continue to serve Loblaw. After the proposed transaction Loblaw will own the assets instead of the utility. Welland Hydro states that the transaction will not adversely affect the safety, reliability, quality of service or operations of the applicant or Loblaw. The proposed transfer will not impact distribution rates of the applicant.

Welland Hydro requested, with Loblaw’s consent, that the Board dispose of this matter without a hearing under section 21(4)(b) of the Act. I find, based on the evidence filed in the application, that no other person will be adversely affected in a material way by the outcome of this proceeding. I have therefore disposed of this matter without a hearing.

IT IS ORDERED THAT:

1. Welland Hydro Electric System Corp. is granted leave to transfer ownership of one test block and assorted wiring and cabling located at the 821 Niagara Street North, Welland, Ontario to Loblaw Companies Limited.

DATED at Toronto, May 3, 2012

ONTARIO ENERGY BOARD

Original signed by

Adrian Pye
Manager
Licence Applications