



EB-2012-0271

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 E.L.K. Energy Inc. seeking an order granting
leave to sell distribution system assets to Loblaw
Companies Limited.

By delegation, before: Adrian Pye

DECISION AND ORDER
June 21, 2012

THE APPLICATION

E.L.K. Energy Inc. ("E.L.K.") filed an application with the Ontario Energy Board on June 6, 2012 under section 86(1)(b) of the *Ontario Energy Board Act*, 1998 (the "Act") for a Board order granting E.L.K. leave to sell certain distribution system assets to Loblaw Companies Limited ("Loblaw").

The assets consist of one test block and assorted wiring and cabling, and are located at 300 Main Street East, Kingsville, Ontario.

The total sale price of \$100.00 (plus HST) represents the net book value of the assets.

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 E.L.K. leave to sell 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 sale 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. E.L.K. states that the assets proposed to be sold to Loblaw exclusively serve and will continue to serve Loblaw. After the proposed transaction Loblaw will own the assets instead of the utility. E.L.K. 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.

E.L.K. 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. E.L.K. Energy Inc. is granted leave to sell one test block and assorted wiring and cabling located at 300 Main Street East, Kingsville, Ontario to Loblaw Companies Limited.

DATED at Toronto, June 21, 2012

ONTARIO ENERGY BOARD

Original signed by

Adrian Pye
Manager
Licence Applications