



EB-2012-0450

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 Kitchener-Wilmot Hydro Inc. seeking an
order granting leave to sell distribution system assets
to Loblaw Companies Limited.

By delegation, before: Adrian Pye

DECISION AND ORDER
December 13, 2012

THE APPLICATION

Kitchener-Wilmot Hydro Inc. ("Kitchener-Wilmot") filed an application with the Ontario Energy Board on November 21, 2012 under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act") for a Board order granting Kitchener-Wilmot leave to sell certain distribution system assets to Loblaw Companies Limited ("Loblaw").

The metering assets to be transferred to Loblaw are located at five locations in Kitchener, Ontario and consist of the following:

- one test block, assorted wiring and cabling, three current transformers, and two voltage transformers located at 1005 Ottawa Street North;
- one test block, assorted wiring and cabling, three current transformers, and three voltage transformers located at 750 Ottawa Street South;
- one test block, assorted wiring and cabling, three current transformers, and three voltage transformers located at 875 Highland Road West; and
- one meter cabinet, one test block, assorted wiring and cabling, three current transformers, and three voltage transformers located at 1375 Weber St. East.

The total sale price of \$4,045.89 (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 Kitchener-Wilmot 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. Kitchener-Wilmot 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. Kitchener-Wilmot 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.

Kitchener-Wilmot 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. Kitchener-Wilmot Hydro Inc. is granted leave to sell one meter cabinet, four test blocks, assorted wiring and cabling, 12 current transformers, and 11 voltage transformers located in Kitchener, Ontario at 1005 Ottawa Street North, 750 Ottawa Street South, 875 Highland Road West, and 1375 Weber St. East to Loblaw Companies Limited.

DATED at Toronto, December 13, 2012

ONTARIO ENERGY BOARD

Original signed by

Adrian Pye
Manager
Licence Applications