

Hydro One Networks Inc.

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Toronto, Ontario M5G 2P5
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Joanne.Richardson@HydroOne.com

Joanne Richardson

Director – Major Projects and Partnerships
Regulatory Affairs



BY COURIER

December 8, 2015

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 27, 2300 Yonge Street
P.O. Box 2319
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Hydro One Networks' Request for Leave to Sell Assets to Fisher Poultry Farm

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 Fisher Poultry Farm. 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 Pasquale Catalano at (416) 345-5405 or via email at Pasquale.Catalano@HydroOne.com.

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

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
27th 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.

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. 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:	Hydro One Networks Inc.
Name of Primary Contact:	Pasquale Catalano
Title/Position:	Regulatory Analyst
Address of Head Office:	483 Bay Street, South Tower, 7 th Floor, Toronto, ON M5G 2P5
Phone:	416-345-5405
Fax:	416-345-5866
Email:	Regulatory@HydroOne.com

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

Name of other party:	Fisher Poultry Farm Ltd.
Name of Primary Contact:	William H. Revington
Title/Position:	General Manager – Farm Operations
Address of Head Office:	PO Box 130 Ayton, ON N0G 1C0
Phone:	519-364-3263
Email :	brevington@newlifemills.com

- 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, Fisher Poultry Farms Ltd. (“Fisher Poultry”) 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 asset sale consists of six (6) transformers to be sold to Fisher Poultry. They are listed below:

1. 1 – 50 kVA overhead transformer (10758), in-service date: 1979, Serial Number: LE 13473
2. 1 – 50 kVA overhead transformer (578), in-service date: 1982, Serial Number: LG 28562
3. 1 – 50 kVA overhead transformer (578), in-service date: 1982, Serial Number: LG 28573
4. 1 – 50 kVA overhead transformer (578), in-service date: 1982, Serial Number: LG 28574
5. 1 – 100 kVA padmount transformer (13723), in-service date: 2015, Serial Number: 1M01496906
6. 1 – 100 kVA padmount transformer (15923), in-service date: 2015, Serial Number: IM01470301

- 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.

All of the assets are located on land owned by the proposed purchaser, Fisher Poultry. This is completely within HONI territory, but it is more efficient for the customer to own their own assets to operate moving forward. Please see Attachment 2 for map of area.

- 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.

These assets only benefit the proposed purchaser, Fisher Poultry. The assets are entirely on the farm's lands and are only used in servicing this customer.

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

The assets are currently used to service Hydro One Networks Inc. (“Hydro One”) customers, and will continue to be used to service Hydro One customers.

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 customers. After the sale, the assets will be owned by the customer rather than the utility, but Hydro One will continue to supply electricity to the 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 \$19,836.95 plus HST. 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.

Please see Attachment 1 for the Letter of Consent.

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 transformers proposed to be sold to Fisher Poultry solely exist on the customer's site, and only serve the customer. The transfer of ownership will not have any effect on the service to this customer, or any others.
- (b) Please see 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 ORIGINAL SIGNED BY JOANNE RICHARDSON	Print Name of Key Individual Joanne Richardson	Title/Position Director – Major Projects and Partnerships
	Date December 8, 2015	Company Hydro One Networks

(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

November 17, 2015

FISHER POULTRY FARM LTD
121666 Concession 8
PO BOX 130
AYTON, ON
N0G 1C0

PLEASE SIGN & RETURN

Dear FISHER POULTRY FARM LTD
121666 Concession 8:

Re: FISHER POULTRY FARM

This letter is to advise you of the progress that is being made regarding the sale of Hydro One assets in the FISHER POULTRY FARM. Based on your response to our initial letter, you have elected to purchase all assets excluding meters.

Within the FISHER POULTRY FARM there are 6 transformers and related equipment with a net book value of \$19,836.95.

Please sign below indicating your intention to purchase the assets as noted above, 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. Obtaining Ontario Energy Board (OEB) approval could take 12 – 20 weeks.

After official approvals have been obtained, FISHER POULTRY FARM 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.

FISHER POULTRY FARM agrees to purchase all assets now owned by Hydro One, within the boundaries of the FISHER POULTRY FARM for a total price of \$19,836.95 plus HST, which will be invoiced after the OEB have granted their approval.

Signature of FISHER POULTRY FARM Representative

Wm H. Revington
Name (please print)

Wm H. Revington
Signature

Nov 24, 2015
Date

Thank you for your co-operation in this matter.

per: Fisher Poultry Farm, Inc.

Yours truly,

Crystal Dixon

Crystal Dixon
Customer Support Supervisor
Beachville Field Business Centre
Please contact: Tracey Whatley
Lines Customer Support Clerk
1-800-957-7756 x 3279



November 17, 2015

Hydro One Networks Inc.
Beachville Field Business Centre
56 Embro St, PO Box 130
Beachville, Ontario
N0J 1A0

PLEASE SIGN & RETURN

Re: FISHER POULTRY FARM

It is our understanding that approval is required by the Ontario Energy Board (OEB) for the sale of assets by Hydro One. FISHER POULTRY FARM 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.

<u>Wm H. Revington</u>	<u>Wm H. Revington</u>	<u>24 Nov, 2015</u>
Name (Owner)	Signature	Date
<u>/</u>	<u>per Fisher Poultry Farm, Inc.</u>	<u>/</u>
Name (Owner)	Signature	Date

FISHER POULTRY FARM
121666 Concession 8
PO BOX 130,
AYTON, ON
N0G 1G0

ATTACHMENT 2 – Map

