



Ontario Energy Board Commission de l'énergie de l'Ontario

DECISION AND ORDER

EB-2016-0015

Amending Rate-Regulated Electricity Distributor Licences to Authorize Market Rates for Wireless Pole Attachments

BY DELEGATION, BEFORE: **Peter Fraser**
Vice President,
Industry Operations & Performance

January 28, 2016

INTRODUCTION AND SUMMARY

The Ontario Energy Board (OEB), of its own motion, initiated this proceeding to amend the licences of rate-regulated electricity distributors. As set out in this Decision and Order, the amendment authorizes rate-regulated electricity distributors to charge market rates for wireless pole attachments.

BACKGROUND

Rate-regulated electricity distributors currently charge a set rate for wireline and wireless pole attachments, at the rate of \$22.35 per pole attachment per year. This rate was set by the OEB in proceedings RP-2003-0249 (the Canadian Cable Television Association proceeding) and EB-2011-0120 (the Canadian Distributed Antenna Systems Coalition proceeding).

An exception to this general rule was established in OEB proceeding EB-2013-0234. In that proceeding, the OEB authorized Toronto Hydro-Electric System Limited (THESL) to charge market rates for all wireless pole attachments, under certain conditions.

Effective June 5, 2014, the OEB amended THESL's electricity distribution licence to reflect the OEB's decision in RP-2003-0249 and EB-2013-0234.

Section 22 of THESL's licence reads as follows:

22 Pole Attachments

- 22.1 The Licensee shall provide access to its distribution poles to all Canadian carriers, as defined by the Telecommunications Act, and to all cable companies that operate in the Province of Ontario. For each attachment, with the exception of wireless attachments, the Licensee shall charge the rate approved by the Board and included in the Licensee's tariff.
- 22.2 The Licensee shall:
- a. annually report the net revenue, and the calculations used to determine that net revenue, earned from allowing wireless attachments to its poles. Net revenues will be accumulated in a deferral account approved by the Board;
 - b. credit that net revenue against its revenue requirement subject to Board approval in rate proceedings; and
 - c. provide access for wireless attachments to its poles on commercial terms normally found in a competitive market.

Following the OEB's decision in the THESL proceeding, the OEB initiated a consultation in proceeding EB-2014-0365 to consider whether all rate-regulated electricity distributors should be authorized to charge market rates for wireless pole attachments, under the same conditions as those established for THESL.

Following the consultation, the OEB, of its own motion, initiated this proceeding, under sections 19(4) and 74 and the OEB Act to authorize all rate-regulated electricity distributors to charge market rates for wireless pole attachments.

This Decision and Order is being issued by Delegated Authority without a hearing pursuant to section 6(4) of the OEB Act.

DECISION

I find it to be in the public interest to amend the licences of all rate-regulated electricity distributors in order to allow them to charge market rates for wireless pole attachments. This authorization shall be subject to the same conditions that the OEB established for THESL in proceeding EB-2013-0234.

IT IS ORDERED THAT:

1. The electricity distribution licence of each rate-regulated electricity distributor be amended to include the following conditions¹:
 - The Licensee shall provide access to its distribution poles to all Canadian carriers, as defined by the Telecommunications Act, and to all cable companies that operate in the Province of Ontario. For each attachment, with the exception of wireless attachments, the Licensee shall charge the rate approved by the Board and included in the Licensee's tariff.
 - The Licensee shall:
 - a) annually report the net revenue, and the calculations used to determine that net revenue, earned from allowing wireless

¹ As THESL is already so authorized, no further amendment to THESL's electricity distribution licence is necessary.

attachments to its poles. Net revenues will be accumulated in a deferral account approved by the Board;

- b) credit that net revenue against its revenue requirement subject to Board approval in rate proceedings; and
- c) provide access for wireless attachments to its poles on commercial terms normally found in a competitive market.

2. The deemed licence condition that the Licensee charge \$22.35 per pole attachment for wireless attachments is rescinded.

DATED at Toronto January 28, 2016

ONTARIO ENERGY BOARD

Original signed by

Peter Fraser
Vice President, Industry Operations & Performance