



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

DECISION AND ORDER

EB-2016-0120

HYDRO ONE NETWORKS INC.

Application for leave to sell transmission assets to ASW Steel Inc.

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

April 7, 2016

DECISION AND ORDER

THE APPLICATION

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on March 8, 2016 under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (Act), for an order granting Hydro One leave to sell transmission assets to ASW Steel Inc. (ASW). The 115 kV switching assets that are the subject of the proposed transaction are located within ASW's transformer station property on 14 Centre Street, Welland, Ontario. The assets include seven steel structures, one 115 kV disconnect switch, and strain conductor and associated insulators within the station property.

THE PROCESS

Hydro One requested, with ASW's consent, that the OEB dispose of this matter without a hearing. 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 proceeded to decide the application without a hearing pursuant to section 6(4) of the Act.

FINDINGS

Section 86(1)(b) of the Act provides that leave of the OEB 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.

ASW presently owns other structures and switching assets within the station. After the sale, the subject assets will be incorporated into ASW's transformer station configuration.

The assets will continue to serve the same Hydro One's customer after the sale transaction and into the foreseeable future. The applicant stated that the transaction will not adversely affect the safety, reliability, quality of service, operational flexibility or economic efficiency of Hydro One. As well, the applicant stated that there will be no impact on Hydro One's transmission rates as a result of the assets sale.

The sale of the assets is a cash sale for the price of \$1 plus HST. The sale price represents the net book value of the assets.

I find that the proposed transaction is reasonable and is not anticipated to have any negative effects. It is therefore in the public interest to grant Hydro One leave to sell the assets described above to ASW Steel Inc.

IT IS ORDERED THAT:

1. Hydro One Networks Inc. is granted leave to sell 115 kV switching assets located on 14 Centre Street, Welland, Ontario to ASW Steel Inc.

DATED at Toronto April 7, 2016

ONTARIO ENERGY BOARD

Original signed by

Peter Fraser
Vice President, Industry Operations & Performance