



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

DECISION AND ORDER

EB-2015-0309

HYDRO OTTAWA LIMITED

**Application for leave to sell distribution assets to Department of
National Defence**

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

April 14, 2016

DECISION AND ORDER

THE APPLICATION

Hydro Ottawa Limited (Hydro Ottawa) filed an application with the Ontario Energy Board (OEB) on November 9, 2015 under section 86(1)(b) of the *Ontario Energy Board Act, 1998 (Act)*, for an order granting Hydro Ottawa leave to sell certain distribution system assets to the Department of National Defence (DND).

The proposed assets to be sold include 22 poles, six transformers, associated overhead conductors, underground ducts, underground conductors and metering equipment located within the CFB Leitrim military base. The details of the transferred distribution assets are listed in Schedule A.

THE PROCESS

Hydro Ottawa requested, with DND's agreement letter, 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.

The evidence indicates that due to the military base expansion, Hydro Ottawa had to construct a new primary pole line on the new Leitrim Road, which replaced the pole line on old Leitrim Road. The CFB Leitrim military base will be supplied by Hydro Ottawa's new primary pole line, while the old Leitrim primary line assets, subject of the proposed transaction, will be used by DND to connect from the Hydro Ottawa distribution line to their service within CFB Leitrim military base.

The assets will continue to serve the same Hydro Ottawa'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 Ottawa. As well, the applicant stated that there will be no impact on Hydro Ottawa's distribution rates as a result of the assets sale.

The sale of the assets is a cash sale for the price of \$57,595.28 plus HST. The net book value of the assets is \$97,876.16 of which \$40,290.88 represents the net book value of the wires and poles and \$57,585.28 represents the net book value of transformers. The applicant states that the sale price for the old poles and wires is below the net book value due to consideration of the capital contribution of \$690,927.04 made by the DND for the new pole line.

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 Ottawa leave to sell the assets described in Schedule A to DND.

IT IS ORDERED THAT:

1. Hydro Ottawa Limited is granted leave to sell assets listed in Schedule A to the Department of National Defence.

DATED at Toronto April 14, 2016

ONTARIO ENERGY BOARD

Original signed by

Peter Fraser
Vice President, Industry Operations & Performance

SCHEDULE A

ASSETS	YEAR
Poles:	
X15284 CZZ - 40'	1992
X15285 CZZ - 40'	1992
X44832 CZZ - 55' - with S16847 (HOL owned & controlled)	2013
X44831 CZZ - 55' - with MX2067 (HOL owned & controlled)	2013
X44830 CZZ - 55' - with S12971 (DND owned - HOL controlled)	2013
X15297 CZZ - 40'	1992
X15298 CZZ - 40'	1992
X15286 CZZ - 40'	1992
X44858 CZZ - 55'	2013
X44827 CZZ - 50'	2013
X44828 CZZ - 55'	2013
X44829 CZZ - 55'	2013
X15289 CZZ - 50'	1992
X15270 CZZ - 50' - with S14209 (DND owned & controlled)	1992
X15290 CZZ - 45'	1992
X15291 CZZ - 50' – Bldg. 271 (Metering to stay)	1992
X15292 CZZ - 40'	1992
X15293 CZZ - 40'	1992
X15294 CZZ - 40'	1992
X15295 CZZ - 50'	1992
X40785 CZZ - 50' - with S19476 (DND owned & controlled)	2010
X15296 CZZ - 40'	1992
Associated Overhead Conductors connecting the above Poles: 556MCM (2583m) and 336MCM (861m)	
Associated Transformers:	
3Ø x 25kVA - 1994 - 0001234340 / 0001234338 / 0001234337	
1Ø - 10kVa - 2001 - 007871 - 005	
2500kV – S#1M00266601 - TP7225	2010
750kVA –S#04C2259903 – VE78	2011
750kVA –S#04C2259902 – VE78	2011
750kVA –S#04C2259901 – VE78	2011
Underground Ducts:	
137m TP7225 (Metering to stay)	2010
88m VE78 (Metering to stay)	1978

Underground Conductors:	
1/0 Al 28kV XLPE Cable: 452m TP7225 and 290m VE78	
Metering:	
Bldg. 271 – General Electric KV2C, 3PH, 4W, 200A, 347V, 3EL, Meter #OTT303419, Serial #28020139 (TP7225)	2009
Temp – Elster, A3RL, 10A, 120V, 3EL, Interval Meter #OTT516476, Serial #12225977 with KYZ Pulse Outputs	2010
Temp – Itron, R6L, CT-12259, Serial #65779257, Ratio 1500/3000/5	2010
Temp – Itron, R6L, CT-12260, Serial #65779258, Ratio 1500/3000/5	2010
Temp – Itron, R6L, CT-12261, Serial #65779259, Ratio 1500/3000/5	2010
Temp – Itron, ME7, PT-8238, Serial #65793284, Ratio 360/120	2010
Temp – Itron, ME7, PT-8242, Serial #65793288, Ratio 360/120	2010
Temp – Itron, ME7, PT-8243, Serial #65793289, Ratio 360/120	2010
(VE78)	
3545 - Elster, A3RL, 10A, 120V, 2.5EL, Interval Meter #OTT518153, Serial #13021754	2011
3545 – Sangamo, CW-6, CT-GC1849, Serial #673198, Ratio 2000/5	2000
3545 – Sangamo, CW-6, CT-GC1850, Serial #673199, Ratio 2000/5	2000
3545 – Sangamo, CW-6, CT-GC1851, Serial #714810, Ratio 2000/5	2000
3545 – Sangamo, ME-7, PT-GP667, Serial #819944, Ratio 360/120	2000
3545 – Sangamo, ME-7, PT-GP668, Serial #819938, Ratio 360/120	2000