



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

DECISION AND ORDER

EB-2016-0178

HYDRO ONE NETWORKS INC.

Application for leave to sell distribution assets to PowerStream Inc.

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

June 9, 2016

DECISION AND ORDER

THE APPLICATION

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on May 13, 2016 under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (Act), for an order granting Hydro One leave to sell distribution system assets to Powerstream Inc. (PowerStream).

The proposed sale of assets involves a section of the Midhurst TS M3 feeder comprised of 81 poles, one air break switch (B2M3-M4), two in-line disconnects (IL-MD and LLO-FD) and approximately 5 km of 3-phase overhead conductor. The assets to be sold are primarily located within PowerStream's service territory, specifically on Dobson Road from Sunnidale Road south to the City of Barrie boundary, then south from the City boundary along Miller Drive to Tiffin Street.

THE PROCESS

Hydro One requested, with PowerStream'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.

The proposed assets to be sold will be integrated into PowerStream's system to better supply its customers. Hydro One states that the assets proposed to be sold to PowerStream currently serve PowerStream's customers and will continue to serve PowerStream's customers into the foreseeable future. Hydro One states that the transaction will not adversely affect the safety, reliability, quality of service or operations

of the applicant or PowerStream. The proposed sale will have no impact on distribution rates of the applicant.

This is a cash sale. The sale price represents a negotiated commercial value for the section of the Midhurst 44 kV feeder and has been agreed to by both parties at the amount of \$284,000 plus HST \$36,920 for the total of \$320,920.

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 PowerStream.

IT IS ORDERED THAT:

1. Hydro One Networks Inc. is granted leave to sell 81 poles, one air break switch (B2M3-M4), two in-line disconnects (IL-MD and LLO-FD) and approximately 5 km of 3-phase overhead conductor located on Dobson Road from Sunnidale Road south to the City of Barrie boundary, then south from the City boundary along Miller Drive to Tiffin Street to PowerStream Inc.

DATED at Toronto June 9, 2016

ONTARIO ENERGY BOARD

Original Signed By

Peter Fraser
Vice President, Industry Operations & Performance