

**Hydro One Networks Inc.**

7<sup>th</sup> Floor, South Tower  
483 Bay Street  
Toronto, Ontario M5G 2P5  
www.HydroOne.com

Tel: (416) 345-5393  
Fax: (416) 345-5866  
Joanne.Richardson@HydroOne.com

**Joanne Richardson**

Director – Major Projects and Partnerships  
Regulatory Affairs



BY COURIER

June 29, 2016

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

Dear Ms. Walli:

**Load Transfer Elimination Application – A Service Area Amendment & Asset Sale Application  
Between Hydro One Networks Inc. and Wasaga Distribution Inc.**

In accordance with the Distribution System Code amendments of December 21, 2015, Hydro One Networks Inc. and Wasaga Distribution Inc. are jointly applying to the Ontario Energy Board for approval to amend the service areas of both distributors such that all existing load transfer arrangements between the two LDCs are eliminated.

Should you have any questions on this application, please contact Pasquale Catalano at (416) 345-5405 or via email at [Pasquale.Catalano@HydroOne.com](mailto:Pasquale.Catalano@HydroOne.com).

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

Attachment

c./ Paul Trace



# **Ontario Energy Board**

## **Elimination of Load Transfer Arrangements Between Hydro One Networks Inc. and Wasaga Distribution Inc.**

### **Combined Service Area Amendment and Asset Transfer Application**

**June 29, 2016**

## **PART I: SERVICE AREA AMENDMENT**

### **1.1 Basic Facts**

*As a result of the Distribution System Code amendments of December 21, 2015, EB-2015-0006, Hydro One Networks Inc. ("Hydro One") and Wasaga Distribution Inc. ("Wasaga") are jointly applying to the Ontario Energy Board ("OEB") for approval to amend the service areas of both distributors such that all existing load transfer arrangements between the two LDCs are eliminated.*

### **1.2 Identification of the Parties**

#### **1.2.1 Applicant**

(Identify whether the applicant is a geographic and/or physical distributor)

Name of Applicant Hydro One Networks Inc.	Licence Number ED-2003-0043
Address 483 Bay Street, 7 <sup>th</sup> Floor, South Tower Toronto, ON M5G 2P5	Telephone Number 416-345-5405
	Facsimile Number 416-345-5866
	E-mail Address Regulatory@HydroOne.com
Contact Person Pasquale Catalano Regulatory Advisor	Telephone Number As listed above.
	Facsimile Number As listed above.
	E-mail Address Pasquale.Catalano@HydroOne.com

#### **1.2.2 Co-Applicant or Other Distributor to the Service Area Amendment Application**

Name of Co-Applicant or Other Distributor Wasaga Distribution Inc.	Licence Number ED-2002-0544
Address: 950 River Road West Wasaga Beach, ON L9Z 1A2	Telephone Number (705) 429-2517
	Facsimile Number (705) 429-2590
	E-mail Address:
Contact Person: Paul Trace Director of Operations	Telephone Number As listed above.
	Facsimile Number As listed above.
	E-mail Address p.trace@wasagadist.ca

### 1.3 Description of Proposed Service Area

1.3.1	<p><b>Provide a detailed service area description of the area(s) that is subject to the SAA and how the amendments should be reflected in Schedule 1 of the licence(s) of the distributor(s).</b></p> <p>The proposed amendments are premise specific. Once this application is approved, Hydro One's licence will include all of the premises in Attachment 2. These will be removed from Wasaga's licence. Once the application is approved, all of the premises listed in Attachment 1 will be included in Wasaga's licence, and removed from Hydro One's licence.</p>
1.3.2	<p><b>Provide maps or diagrams of the area(s) that is the subject of the SAA application.</b></p> <p>Please see Attachments 3 and 4.</p>
1.3.3	<p><b>Provide a description of the type of physical connection(s); i.e., individual customer; residential subdivision, commercial or industrial customer.</b></p> <p>11 Hydro One customers are proposed to be transferred to Wasaga:</p> <ul style="list-style-type: none"><li>• 8 Residential Customers</li><li>• 3 General Service Customers</li></ul> <p>4 Wasaga customers are proposed to be transferred to Hydro One:</p> <ul style="list-style-type: none"><li>• 4 Residential Customers</li></ul>

### 1.4 Information on Affected Load Transfer Customers

1.4.1	<p><b>Provide a total number of load transfer arrangements between distributors.</b></p> <p>Please see 1.3.3.</p>
1.4.2	<p><b>Provide a number of load transfers eliminated in this application.</b></p> <p>Please see 1.3.3.</p>
1.4.3	<p><b>Provide a number of customers to be transferred from Hydro One to Wasaga.</b></p> <p>Please see 1.3.3.</p>
1.4.4	<p><b>Provide a number of customers to be transferred from Wasaga to Hydro One.</b></p> <p>Please see 1.3.3.</p>
1.4.5	<p><b>Provide a list of affected load transfer customers.</b> <b>(Customer listing must include customer address, name, billing address, rate class and meter number)</b></p> <p>Please see Attachments 1 and 2.</p>
1.4.6	<p><b>Provide written confirmation that all affected persons have been provided with specific and factual information about the service area amendment(s).</b></p> <p>Letters informing customers of the proposed amendments were sent by both Wasaga and Hydro One to their respective customers by June 28, 2016.</p>

## 1.5 Impacts Arising from the Amendment(s)

1.5.1

Use the table below to describe the impact on the average residential customers’ total bill that arises as a result of the service area amendment(s) before and after rate mitigation is applied.  
Use delivery charge on consumer’s bill (including cost of losses and excluding all rate riders).  
Use 750 kWh / month for the average residential consumer. Provide any additional information as required.

The delivery charges will increase for customers moving from Wasaga to Hydro One. Table 1 below shows the delivery impact on total bill for these residential customers at a typical monthly consumption level of 750 kWh.

**Table 1: Bill Impact at the Typical Residential Consumption Level for Customers Moving from Wasaga Distribution to Hydro One Networks (Rates as of May 1, 2016)**

Monthly Consumption (kWh)	Wasaga Distribution				Hydro One Networks				Average Monthly Delivery Impact on Total Bill (\$)
	Rate Class	Fixed Charge (\$)	Variable Charge (\$/kWh or \$/kW)*	Delivery Charge (\$)**	Rate Class	Fixed Charge (\$)	Variable Charge (\$/kWh or \$/kW)	Delivery Charge (\$)**	
750	RES	14.91	0.0142	43.10	R2	41.36	0.0426	92.07	48.97

\* Includes low voltage charge  
\*\* Includes RTSR charges and cost of losses.

As shown in Table 2, customers moving from Hydro One Networks to Wasaga Distribution will see a reduction in their monthly delivery charges. As such, no credits are required for these customers.

**Table 2: Bill Impacts at Typical Consumption Levels for Customers Moving from Hydro One Networks to Wasaga Distribution (Rates effective May 1, 2016)**

Monthly Consumption (kWh)	Hydro One Networks				Wasaga Distribution				Average Monthly Delivery Impact on Total Bill (\$)
	Rate Class	Fixed Charge (\$)	Variable Charge (\$/kWh or \$/kW)	Delivery Charge (\$)**	Rate Class	Fixed Charge (\$)	Variable Charge (\$/kWh or \$/kW)*	Delivery Charge (\$)**	
750	R2	41.36	0.0426	92.07	RES	14.91	0.0142	43.10	(48.97)
400	Seasonal	32.47	0.0748	72.14	RES	14.91	0.0142	30.31	(41.83)
2,000	GSe	27.94	0.0563	183.10	GS<50	14.76	0.017	91.18	(91.92)

\* Includes low voltage charge  
\*\* Includes RTSR charges and cost of losses.

1.5.2

**Provide a description of any assets which may be stranded or become redundant after completion of the service area amendment(s). Please explain why these assets could not be transferred to the physical distributor.**

No assets will be stranded as a result of this amendment.

1.5.3

**Identify costs for stranded equipment that would need to be de-energized or removed.**

N/A – please see 1.5.2

1.5.4	<p><b>Identify any assets that will be transferred to and/or from the applicant(s). If an asset transfer is required, please complete Part II of the application form.</b></p> <p>Please see Part 2</p>																																							
1.5.5	<p><b>Include an estimate of the credit required for each customer to ensure there is not a negative impact on the total bill.</b></p> <p>The customers moving from Wasaga Distribution to Hydro One Networks will receive a monthly bill credit to offset the increase in delivery charges<sup>1</sup>. In accordance with the OEB’s direction provided in “Amendments to the Distribution System Code”, the credit is calculated using the customer’s average monthly consumption over the most recent 12 months at the time the application is filed for the OEB’s approval. Wasaga has provided the customer’s average monthly consumption based on the most recent 12 months of actual billing data, where available. Where there is less than 12 months of data available, Wasaga has provided their best estimate of the customer’s monthly average over 12 months. The credit will be fixed at this calculated level and remain in place as long as the customer remains the account holder.</p> <p>The OEB has confirmed that a deferral account will be provided for the purpose of tracking the rate mitigation costs for future recovery.</p> <p>Table 3 provides the credit amount for the customers moving from Wasaga Distribution to Hydro One Networks.</p> <p><b>Table 3: Credit Amount to Eliminate the Increase in Delivery Charges for Customers Moving from Wasaga Distribution to Hydro One Networks (Rates as of May 1, 2016)</b></p> <table><tr><th rowspan="2">Index</th><th rowspan="2">Average Monthly Consumption (kWh)</th><th colspan="2">Wasaga Distribution</th><th colspan="2">Hydro One Networks</th><th rowspan="2">Monthly Credit (\$)</th></tr><tr><th>Rate Class</th><th>Delivery Charges (\$)</th><th>Rate Class</th><th>Delivery Charges (\$)</th></tr><tr><td>Cust1</td><td>1,321</td><td>RES</td><td>63.95</td><td>R2</td><td>130.08</td><td>66.12</td></tr><tr><td>Cust2</td><td>315*</td><td>RES</td><td>27.21</td><td>R2</td><td>63.12</td><td>35.91</td></tr><tr><td>Cust3</td><td>1,661</td><td>RES</td><td>76.37</td><td>R2</td><td>152.71</td><td>76.34</td></tr><tr><td>Cust4</td><td>318</td><td>RES</td><td>27.32</td><td>R2</td><td>63.32</td><td>36.00</td></tr></table> <p>*Estimated average monthly consumption</p>	Index	Average Monthly Consumption (kWh)	Wasaga Distribution		Hydro One Networks		Monthly Credit (\$)	Rate Class	Delivery Charges (\$)	Rate Class	Delivery Charges (\$)	Cust1	1,321	RES	63.95	R2	130.08	66.12	Cust2	315*	RES	27.21	R2	63.12	35.91	Cust3	1,661	RES	76.37	R2	152.71	76.34	Cust4	318	RES	27.32	R2	63.32	36.00
Index	Average Monthly Consumption (kWh)			Wasaga Distribution		Hydro One Networks			Monthly Credit (\$)																															
		Rate Class	Delivery Charges (\$)	Rate Class	Delivery Charges (\$)																																			
Cust1	1,321	RES	63.95	R2	130.08	66.12																																		
Cust2	315*	RES	27.21	R2	63.12	35.91																																		
Cust3	1,661	RES	76.37	R2	152.71	76.34																																		
Cust4	318	RES	27.32	R2	63.32	36.00																																		

<sup>1</sup> For the purpose of credit calculations, the delivery charge includes distribution charges, transmission charges and cost of losses, but excludes any rate riders as specified by the OEB in "[Amendments to the Distribution System Code, Section C \(File No.: EB-2015-0006\)](#)".

## **PART II:       TRANSFER OF ASSETS (S. 86(1)(b))**

### **2.1       Description of the Assets to Be Transferred**

2.1.1	<b>Provide a description of the assets that are the subject of the transaction. (Attach a detailed list of assets to be sold including value of assets)</b> See Attachments 1 and 2.
2.1.2	<b>Indicate where the assets are located – whether in the applicant’s service territory or in the recipient’s service territory (if applicable). Please include a map of the location.</b> The assets are located within the territory that will be transferred from the geographical distributor to the physical distributor, if the application is approved. Please see Attachments 3 and 4 for maps indicating the location of the assets.
2.1.3	<b>Indicate which distributor’s customers are currently served by the assets.</b> Currently the assets are being used to service the geographical distributor’s customers. Once the application is approved, the assets will continue to service the same customers they currently service. The customers will be transferred from the geographical distributor to the physical distributor.

### **2.2       Description of the Sale Transaction**

2.2.1	<b>The value of the assets to be transferred shall be determined based on net book value (NBV). Attach the details of the associated cash consideration to be given and received by each of the parties to the transaction.</b> Hydro One will sell the assets servicing the subject Geographical Customers to Wasaga for \$14,543 plus applicable taxes. A detailed breakdown of the assets is included in Attachment 1.  Wasaga will sell the assets servicing the subject Geographical Customers to Hydro One for \$10,216 plus applicable taxes. A detailed breakdown of the assets is included in Attachment 2.  Please note that asset valuation was determined using the Load Transfer Asset Valuation Scenarios and Residual Value Tables provided by the OEB on March 30, 2016.
2.2.2	<b>Will the transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties? If yes, please specify how.</b>  Bell Canada is the only joint use partner on the poles subject to this sale for both Hydro One and Wasaga Distribution. Bell Canada has granted Hydro One approval to sell the poles subject to this sale to Wasaga, as required by the First Right of Refusal clause in the Hydro One-Bell Joint Use Agreement. The signed letter by Bell is included as Attachment 5.

### **PART III: CERTIFICATION AND ACNOWLEDGEMENT**

#### **Applicant**

I certify that the information contained in this application and in the documents provided are true and accurate.

Signature of Key Individual	Name and Title of Key Individual	Date
ORIGINAL SIGNED BY JOANNE RICHARDSON	Joanne Richardson Director - Major Projects and Partnerships, Regulatory Affairs	June 28, 2016

(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.)

#### **Co-Applicant (if applicable)**

I certify that the information contained in this application and in the documents provided are true and accurate.

Signature of Key Individual	Name and Title of Key Individual	Date
ORIGINAL SIGNED BY PAUL TRACE	Paul Trace Director of Operations	June 27, 2016

(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.)



**Geographical Distributor LTLT Customer and Asset Transfer Information**

		Service Address									
Map #	Primary Customer Name	Number	Street	City	Postal Code	Lot	Concession	Township	Meter ID No.	Classification Figure #	Geographical Distributor Rate Class
2		1781	KLONDIKE PARK RD	SUNNIDALE	L0M 1S0	N10	13	SUNNIDALE	J2566416	Fig.3	R2_TOU_RPP
3		1872	COUNTY RD 7, BLDG	NOTTAWASAGA	K6V 5T4	E31	1	NOTTAWASAGA	J3401463	Fig.7	GSE_DCB
3		1872	COUNTY RD 7, HSE	NOTTAWASAGA	K6V 5T4	E31	1	NOTTAWASAGA	J3350284	Fig.7	R2_TOU_RPP
5		2220	FAIRGROUNDS RD N, TRLR,	NOTTAWASAGA	L0M 1S0	E35	5	NOTTAWASAGA	J3550189	Fig.15	GSE_TOURPP
4		2220	FAIRGROUNDS RD N	NOTTAWASAGA	L0M 1S0	E35	5	NOTTAWASAGA	J3017005	Fig.13	GSE_TOURPP
4		2274	FAIRGROUNDS RD N	NOTTAWASAGA	L0M 1S0	E35	5	NOTTAWASAGA	J3009531	Fig.13	R2_DCB
6		35	ARCHER RD	TINY	L0L 1P1	PL 29	1	TINY	J2912945	Fig.3	S_TOU_RPP
6		37	ARCHER RD	TINY	L0L 1P1	27	1	TINY	J2912950	Fig.7	S_TOU_RPP
1		6278	SIDERD 33 34	NOTTAWASAGA		S34	4	NOTTAWASAGA	J3106531	Special #1	R2_TOU_RPP
1		6300	SIDERD 33 34	NOTTAWASAGA		34	4	NOTTAWASAGA	J2151015	Special #1	R2_TOU_RPP
1		6263	SIDERD 33 34	NOTTAWASAGA					J3631397	Special #1	R2_2TR_RPP

### Sideroad 33 / 34

Three Customers on Sideroad 33/34, Asset Values are linked through Customer "#6263" to Main Page

#### Summary of Assets to be Sold

Poles					
Quantity	Height	Age	Set	Residual Value	Total Asset Value
1	40	1	Earth Plus	\$1,282.00	\$1,282.00
1	45	1	Earth Plus	\$1,479.00	\$1,479.00
<b>2</b>					<b>\$2,761.00</b>

Primary and Neutral - Wire					
Location	Line Length (m)	# of Phases	Total Length (m)	Price/metre	Total Asset Value
Sideroad 33/34 to #6263	60	1	120	\$3.00	\$360.00
<b>Totals</b>	<b>60</b>		<b>120</b>		<b>\$360.00</b>

Buss - Wire			
Location	# of Spans	Price/span	Total Asset Value
Sideroad 33/34 to #6263	1	\$180.00	\$180.00
<b>Totals</b>	<b>1</b>		<b>\$180.00</b>

Secondary Services to Premise				
Location	Number of Premises	Figure #	Price/Premise	Total Asset Value
#6300 & #6263	2	5	\$80.00	\$160.00
#6278	1	6	\$150.00	\$150.00
<b>Totals</b>				<b>\$310.00</b>

\*Transformers are all owned by Wasaga Distribution

	Figure #1	Figure #2	Figure #3	Figure #4	Figure #5	Figure #6	Figure #7	Figure #8	Figure #9	Figure #10	Figure #11	Figure #12	Figure #13	Figure #14	Figure #15	Primary Wire Line
Main Page	0	0	1	0	0	0	1	0	0	0	0	0	2	0	1	
O/H	20	70	20	70		50		50		63		63				
U/G	63		63		63		63		63		63					
Primary									20	20			20		20	
Neutral									20	20			20		20	
Subtotal	0	0	1	0	0	0	1	0	0	0	0	0	2	0	1	0
Total O/H	0	0	20	0	0	0	0	0	0	0	0	0	0	0	0	Total Secondary O/H (m)
Total U/G	0	0	63	0	0	0	63	0	0	0	0	0	0	0	0	Total Secondary U/G (m)
Total Primary	0	0	0	0	0	0	0	0	0	0	0	0	80	0	40	Total Primary (m)
Total Buss (m)	0															120

POLES	30	35	40	45	50	55	Total
Main Page	1	3	0	1	0	0	5
Special Case #1			1	1			2
Special Case #2							0
Special Case #3							0
Special Case #4							0
Special Case #5							0
Special Case #6							0
TOTAL	1	3	1	2	0	0	7

Transformers	5	10	15	25	50	75	100	167	Total
Main Page	0	0	0	1	0	1	1	0	3
Special Case #1									0
Special Case #2									0
Special Case #3									0
Special Case #4									0
Special Case #5									0
Special Case #6									0
TOTAL	0	0	0	1	0	1	1	0	3
Sentinel Lights (Total)	0								

#### ASSET SUMMARY

Poles	30	35	40	45	50	55	Total		
	1	3	1	2	0	0	7		
Transformers	5	10	15	25	50	75	100	167	Total
	0	0	0	1	0	1	1	0	
Primary Wire (metres)	120								
Secondary O/H Wire (Metres)	20								
Secondary U/G Wire (Metres)	126								
Current Transformers	0								
Sentinel Lights	0								
Easements	0								

**Geographical Distributor LTLT Customer and Asset Transfer Information**

Map #	Primary Customer Name	Premise Address							Meter ID No.	Classification Figure #	Geographical Distributor Rate Class
		Number	Street	City	Postal Code	Lot	Concession	Township			
1		1815	12/13 SR North Sunnidale	Stayner	L0M 1S0	Lot 13	Con 14	Sunnidale	WX13069	Special #1	Res, RPP
1		1800	12/13 SR North Sunnidale	Stayner	L0M 1S0	Lot 12 and part 11	Con 14	Sunnidale	WX26527	Special #1	Res, RPP
1		1925	12/13 SR North Sunnidale	Stayner	L0M 1S0	Lot 13	Con 14	Sunnidale	WX26525	Special #1	Res, RPP
2		400	45th Street South	Stayner	L0M 1S0	Lot 1	Con 14	Sunnidale	WX25614	Fig.13	Res, RPP

## 12/13 Sideroad Sunnidale

If many streets involved, provide names of all the streets.

### Summary of Assets to be Sold

Poles					
Quantity	Height	Age	Set	Residual Value	Total Asset Value
1	40	3	Earth Plus	\$1,231.00	\$1,231.00
3	40	25	Earth Plus	\$654.00	\$1,962.00
			Earth Plus		\$0.00
			Earth Plus		\$0.00
			Earth Plus		\$0.00
			Earth Plus		\$0.00
			Earth Plus		\$0.00
4					\$3,193.00

Primary and Neutral - Wire					
Location	Line Length (m)	# of Phases	Total Length (m)	Price/metre	Total Asset Value
along 12/13 Sideroad	80	1	160	\$3.00	\$480.00
1800 12/13 Sideroad	30	1	60	\$3.00	\$180.00
Totals	110		220		\$660.00

Buss - Wire			
Location	# of Spans	Price/span	Total Asset Value
		\$180.00	\$0.00
		\$180.00	\$0.00
		\$180.00	\$0.00
Totals	0		\$0.00

Secondary Services to Premise			
Location	Figure #	Price/Premise	Total Asset Value
1925 12/3 Sideroad	5	\$80.00	\$80.00
			\$0.00
			\$0.00
			\$0.00
			\$0.00
Totals			\$80.00

Transformers				
Quantity	Age	Size (KVA)	Residual Value	Total Asset Value
				\$0.00
				\$0.00
				\$0.00
0				\$0.00

	Figure #1	Figure #2	Figure #3	Figure #4	Figure #5	Figure #6	Figure #7	Figure #8	Figure #9	Figure #10	Figure #11	Figure #12	Figure #13	Figure #14	Figure #15	Primary Wire Line
Main Page	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0
Special Case #1																
Special Case #2																
Special Case #3																
Special Case #4																
Special Case #5																
Special Case #6																
O/H	20	70	20	70		50		50		63		63				
U/G	63		63		63		63		63		63					
Primary										20			20		20	
Neutral										20	20			20	20	
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0
Total O/H	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Total Secondary O/H (m)
Total U/G	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Total Secondary U/G (m)
Total Primary	0	0	0	0	0	0	0	0	0	0	0	0	40	0	0	Total Primary (m)
Total Buss (m)	0															40

<b>POLES</b>	30	35	40	45	50	55	<b>Total</b>
Main Page	0	0	4	0	0	0	4
Special Case #1							0
Special Case #2							0
Special Case #3							0
Special Case #4							0
Special Case #5							0
Special Case #6							0
<b>TOTAL</b>	0	0	4	0	0	0	4

<b>Transformers</b>	5	10	15	25	50	75	100	167	<b>Total</b>
Main Page	1	1	0	2	0	0	0	0	4
Special Case #1									0
Special Case #2									0
Special Case #3									0
Special Case #4									0
Special Case #5									0
Special Case #6									0
<b>TOTAL</b>	1	1	0	2	0	0	0	0	4
Sentinel Lights (Total)	0								

#### ASSET SUMMARY

Poles	30	35	40	45	50	55	Total	
	0	0	4	0	0	0	4	
Transformers	5	10	15	25	50	75	100	167
	1	1	0	2	0	0	0	0
Primary Wire (metres)	40							
Secondary O/H Wire (Metres)	0							
Secondary U/G Wire (Metres)	0							
Current Transformers	0							
Sentinel Lights	0							
Easements	0							

Wasaga Distribution LTLTs

Map #1 –



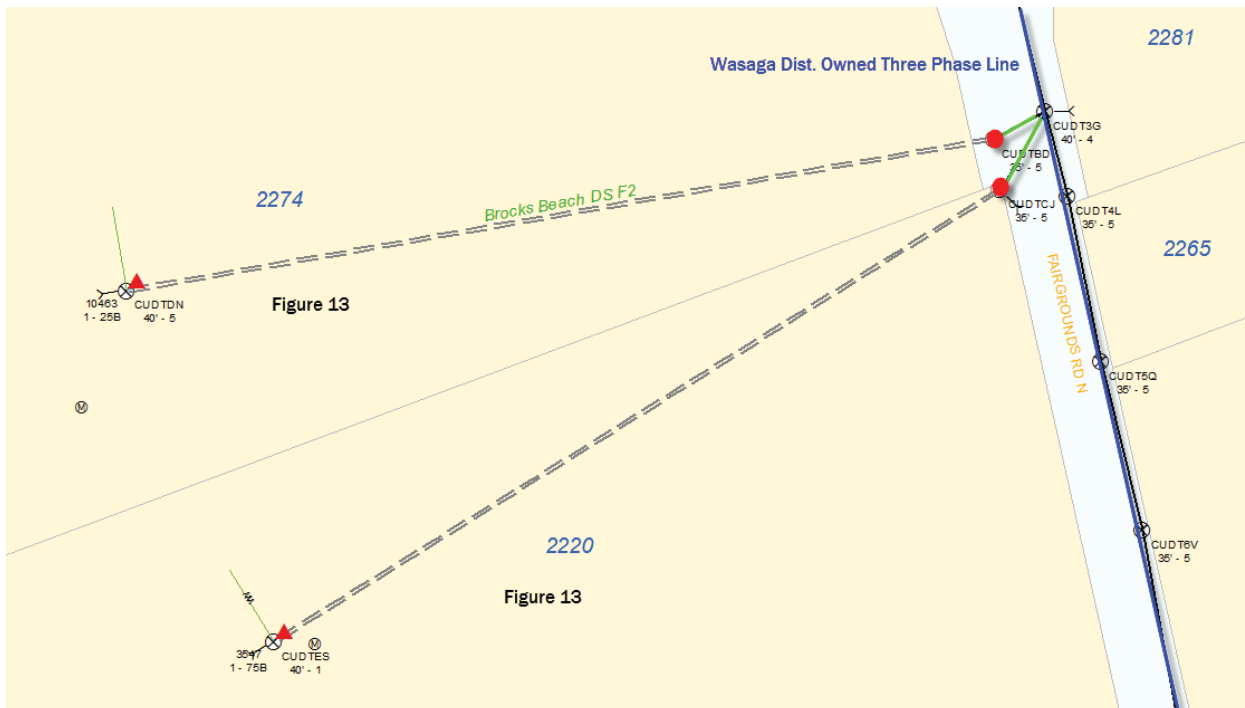
Map #2 –

1781	KLONDIKE PARK RD	SUNNIDALE
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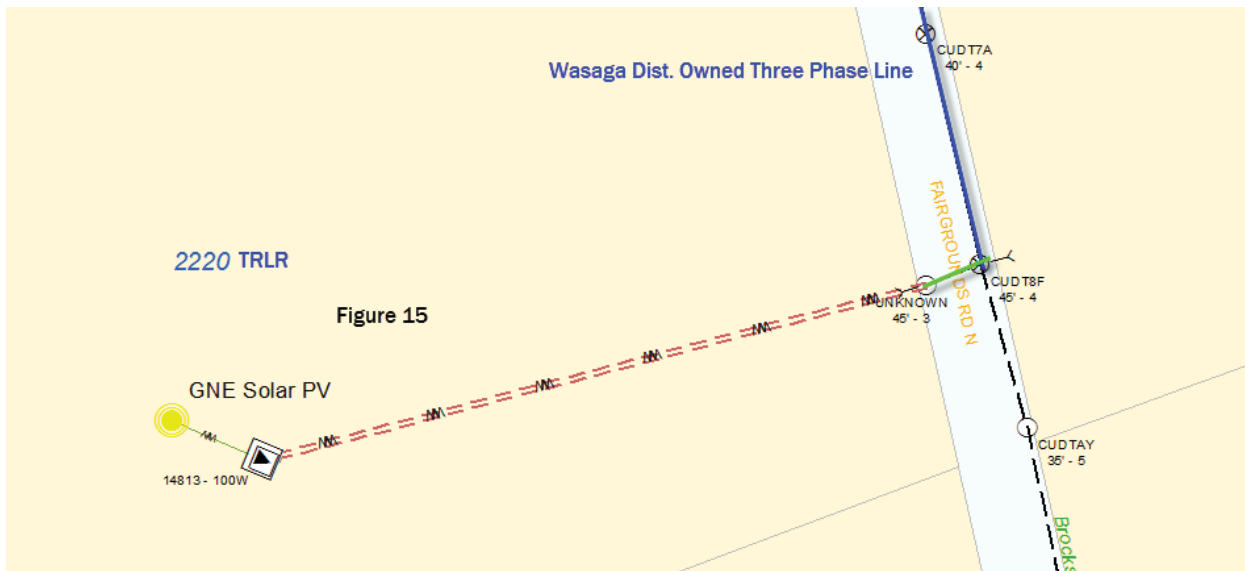


Map #4 –





Map #5 –



Map #6 –

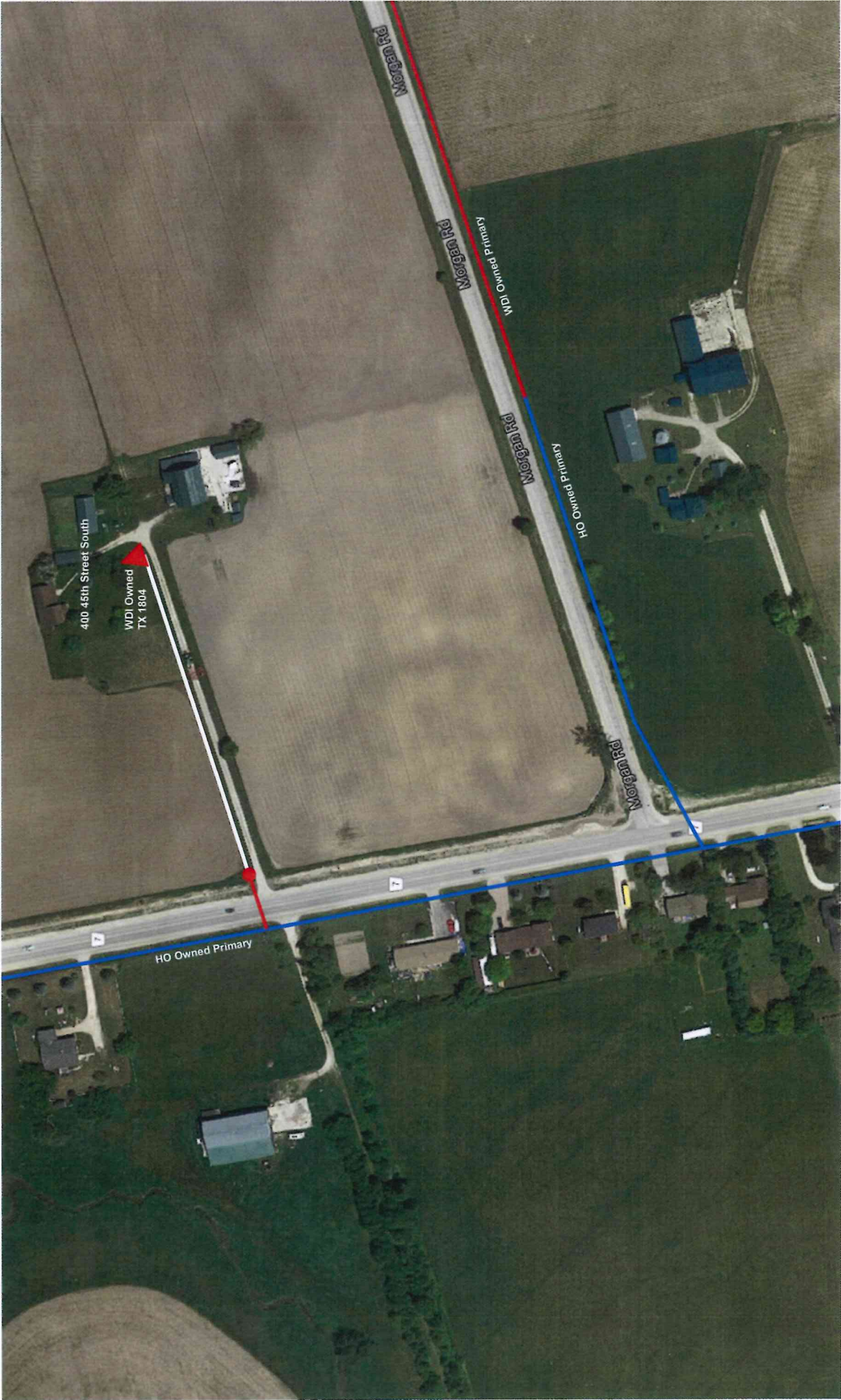


WDI MAP 1





WDI MAP 2



**Hydro One Networks Inc.**  
185 Clegg Road  
Markham, ON L6G 1B7  
www.HydroOne.com

Tel: (888) 332-2249 x3214  
Fax: (905) 946-6215  
John.Boldt@hydroone.com



**John Boldt**  
Manager, Program Integration  
**Distribution Development**

**April 28, 2016**

**Bell Canada**  
**Floor 3 West Tower**  
**5115 Creekbank Road**  
**Mississauga, ON**  
**L4W 5R1**

**Attention: Tony Pereira – External Liaison**

**RE: SALE OF HYDRO ONE NETWORKS INC. JOINT USE POLES – STAYNER/WASAGA BEACH – LTLT ELIMINATION**

This letter has been developed in respect to Hydro One Networks Inc. ("HONI") Joint Use Poles located in the Stayner and Wasaga Beach areas, which are servicing HONI's Long Term Load Transfer (LTLT) customers and have Bell Canada attachments on them. HONI would like to sell these Joint Use Poles to a third party – Wasaga Distribution Inc. within 3 months and as such, would like to receive Bell Canada's consent to the proposed sale pursuant to the provisions of the existing Agreement for the Joint Use Poles dated January 1, 2006 (the "Joint Use Agreement"). Please note that HONI intends to include as part of the transfer to the purchaser a condition that the purchaser agrees to continue to allow Bell Canada's attachments thereon for the remainder of the Initial Term (as this term is defined in the Joint Use Agreement).

The poles subject to this sale are associated with the elimination of long term load transfers ("LTLTs") in areas surrounding the City of Ottawa.

Please document your consent to the above-referenced proposed sale by no later than **May 5, 2016** by signing the form of acceptance at the end of this letter.

Should there be any further concerns, do not hesitate to contact me.

Sincerely;

ORIGINAL SIGNED BY JOHN BOLDT

John Boldt  
Manager Program Integration  
Hydro One Networks

The undersigned hereby consents to the sale by Hydro One Networks Inc. of Hydro One Networks Inc.'s Joint Use Poles identified above in this letter to a purchaser this 4 day of May, 2016.

Bell Canada

ORIGINAL SIGNED BY CAROL O'BRIEN

Name: Carol O'Brien  
Title: \_\_\_\_\_  
I have authority to bind the corporation \_\_\_\_\_