



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

DECISION AND ORDER

EB-2016-0244

ENERSOURCE HYDRO MISSISSAUGA INC.

**OAKVILLE HYDRO ELECTRICITY
DISTRIBUTION INC.**

Joint Application for Elimination of Load Transfer Arrangements

BY DELEGATION, BEFORE: Peter Fraser
Vice President

November 24, 2016

INTRODUCTION AND SUMMARY

Enersource Hydro Mississauga Inc. (Enersource) and Oakville Hydro Electricity Distribution Inc. (Oakville Hydro) have jointly applied 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 distributors are eliminated. A load transfer arrangement is a situation in which an electricity consumer located in the licensed service area of one distributor (the geographic distributor) is physically served by another distributor (the physical distributor).

The application is granted, as set out in this Decision and Order.

THE PROCESS

This Decision and Order is being issued without a hearing by Delegated Authority, pursuant to Section 6(4) of the *Ontario Energy Board Act, 1998* (the Act).

THE APPLICATION

Enersource and Oakville Hydro (collectively, the Applicants) filed a joint application on August 11, 2016 under sections 74 and 86(1)(b) of the Act.

The application was filed pursuant to the Distribution System Code (DSC) amendments made in the OEB proceeding EB-2015-0006 and in accordance with the OEB's filing guidelines for combined service area amendments and sale of assets. In the EB-2015-0006 proceeding, the OEB set out its policy on the elimination of load transfer arrangements between electricity distributors in Ontario. On December 21, 2015, the DSC was amended in order to facilitate distributors' compliance with the policy. In particular, section 6.5.3 of the DSC now requires distributors to eliminate all load transfer arrangements by June 21, 2017, and section 6.5.6 prohibits distributors from entering into any new load transfer arrangements.

Through the application, Enersource seeks to transfer six specific customers to Oakville Hydro. Of these six customers, five are "General Service" and one is an "Unmetered Scattered Load" customer. Enersource also requests OEB's approval to sell the

distribution assets servicing these customers to Oakville Hydro for \$30,624 plus applicable taxes.

There are no customers and assets being transferred from Oakville Hydro to Enersource.

The application notes that there is no joint use partner on the assets subject to this sale. The Applicants state that Oakville Hydro will replace existing meters upon application approval. The residual value for the meters that would be removed is noted to be \$1,740.70.

FINDINGS

I find it to be in the public interest to approve the service area amendments and sale of assets as proposed by the Applicants in order to eliminate the load transfer arrangements between Enersource and Oakville Hydro. Both Enersource and Oakville Hydro's electricity distribution licences will be amended to reflect the proposed transfer of affected customers.

Five out of six customers (i.e. General Service customers) being transferred from Enersource to Oakville Hydro will see an increase in their monthly delivery charges and, therefore, as prescribed in section 6.5.4 of the DSC, they shall receive a monthly bill credit from the physical distributor (i.e. Oakville Hydro) to offset the increase in delivery charges. The credit shall be calculated using each customer's average monthly consumption over the most recent 12 months from the application filing date with the OEB. The credit shall be fixed at this calculated level and remain in place as long as the customer remains the account holder.

An itemized list of assets authorized for transfer from Enersource to Oakville Hydro is set out in Schedule A of this Decision and Order.

IT IS ORDERED THAT:

1. Schedule 1 of Oakville Hydro Electricity Distribution Inc.'s Electricity Distribution Licence (ED-2003-0135) is amended. The amended licence is attached to this Decision and Order.
2. Schedule 1 of Enersource Hydro Mississauga Inc.'s Electricity Distribution Licence (ED-2003-0017) is amended. The amended licence is attached to this Decision and Order.
3. Enersource Hydro Mississauga Inc. is granted leave to sell assets listed in Schedule A (Table 1) to Oakville Hydro Electricity Distribution Inc.

DATED at Toronto November 24, 2016

ONTARIO ENERGY BOARD

Original signed by

Peter Fraser
Vice President

SCHEDULE A

List of assets being transferred between Enersource and Oakville Hydro:

Table 1 - List of assets being sold by Enersource to Oakville Hydro

Asset Type	Count
Poles	1
Transformers	11
Current Transformers	7
Potential Transformers	5
Primary Wire and Neutral (m)	-
Secondary Buss (m)	-
Secondary O/H Wire (m)	-
Secondary U/G Wire (m)	-
Sentinel Lights	-
Easements	-
Total (\$) before applicable taxes	\$30,624

There are no assets being transferred from Oakville Hydro to Enersource.