

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

## **DECISION AND ORDER**

## EB-2016-0316

## HYDRO ONE NETWORKS INC.

Application for Leave to Sell Distribution Assets to Cripath One Corporation

BY DELEGATION BEFORE: Peter Fraser Vice President

November 24, 2016

### THE APPLICATION

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on October 27, 2016 under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (the Act), for an order granting Hydro One leave to sell distribution system assets to Cripath One Corporation, doing business as 1000 Islands/Mallorytown KOA Campground. (Mallorytown KOA Campground). The assets that are the subject of the proposed transaction are three overhead distribution transformers located at at 1477 County Road 2, Mallorytown, Ontario. Specifically, the assets are described as:

- 1. 1979 25 kVA overhead transformer;
- 2. 1997 25 kVA overhead transformer;
- 3. 2006 100 kVA overhead transformer.

### THE PROCESS

Hydro One requested, with Mallorytown KOA Campground'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 sale is for the purposes of transferring ownership of the assets that are located on land owned by the recipient. The applicant states that the assets proposed to be sold to Mallorytown KOA Campground exclusively serve and will continue to serve the same Hydro One customer. After the proposed transaction Mallorytown KOA Campground will own the assets instead of the utility, but there will be no change in supply. The applicant states that the transaction will not adversely affect the safety, reliability, quality of service or operational flexibility for any other customers connected to the feeder. The proposed transfer will not impact distribution or transmission rates of the applicant.

The sale of the assets is a cash sale for the price of \$8,400.76 plus HST. The sale price covers 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 Mallorytown KOA Campground.

#### IT IS THEREFORE ORDERED THAT:

 Hydro One Networks Inc. is granted leave to sell three overhead distribution transformers located at 1477 County Road 2, Mallorytown, Ontario to Cripath One Corporation, doing business as 1000 Islands/Mallorytown KOA Campground.

**DATED** at Toronto November 24, 2016

#### ONTARIO ENERGY BOARD

Original signed by

Peter Fraser Vice President