



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

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## **DECISION AND ORDER**

**EB-2016-0382**

### **HYDRO ONE NETWORKS INC.**

**Combined Application for a Service Area Amendment and Leave to  
Sell Distribution Assets to Essex Powerlines Corporation**

**BY DELEGATION, BEFORE: Brian Hewson**  
Vice President  
Consumer Protection and Industry Performance

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**March 30, 2017**

## INTRODUCTION AND SUMMARY

Hydro One Networks Inc. (Hydro One) has applied to the Ontario Energy Board (OEB) for approval to amend its service area and leave of the Board to sell distribution assets to Essex Powerlines Corporation (Essex). This combined application for service area amendment and sale of assets addresses the transfer of a Hydro One customer located at 99 Thomas Road in the Town of Amherstburg to Essex along with the associated distribution assets necessary in serving this customer. The customer at this location is currently within Hydro One's service area and is supplied by a Hydro One feeder, but is surrounded by Essex's service territory. Essex has requested to purchase Hydro One's feeder to address reliability concerns raised by the Town of Amherstburg and Hydro One has agreed to it. The sale of the feeder to Essex will necessitate the transfer of the customer at 99 Thomas Road to Essex and eliminates a retail point of supply between the two distributors.

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

Hydro One filed a combined application for a service area amendment and sale of assets on December 22, 2016 under sections 74 and 86(1)(b) of the Act. The applicant requested that the application be determined without a hearing. The application was filed in accordance with the OEB's filing guidelines for combined service area amendments and sale of assets.

Through the application, Hydro One seeks to transfer one specific General Service customer to Essex. The customer has consented to this application as well. Hydro One also seeks the OEB's leave to sell the distribution assets, servicing this customer to Essex for \$36,000 plus applicable taxes. The proposed sale involves a section of Keith M3 (23M3) feeder, which is a two-kilometer double circuit pole line in the Town of Amherstburg and is comprised of 41 poles along with the associated conductor and hardware.

The application notes that Bell Canada is the only joint use partner on the poles subject to this sale. Hydro One has provided Bell Canada's consent and approval to sell the poles, subject to this application, to Essex. After the sale of assets to Essex, Bell Canada will pay Essex for the joint use.

Hydro One states that the assets are not surplus as they currently serve the customer at 99 Thomas Road and will continue to do so in the foreseeable future. The applicant also notes that the sale of the feeder to Essex will eliminate a retail point of supply between the two distributors. Hydro One notes that this sale has no other material effect on any third party other than the purchaser and the seller and will assist Essex in addressing the aforementioned reliability concerns.

## FINDINGS

I find it to be in the public interest to approve the service area amendment and sale of assets as proposed by Hydro One. Hydro One's licence will be amended to reflect the proposed transfer of the affected customer to Essex. I note that Essex's licence is not required to be amended given the manner in which Schedule 1 of Essex's licence is presented. A list of assets authorized for transfer from Hydro One to Essex is set out in Schedule A of this Decision and Order.

## IT IS ORDERED THAT:

1. Schedule 1 of Hydro One Networks Inc.'s Electricity Distribution Licence (ED-2003-0043) is amended. The amended licence is attached to this Decision and Order.
2. Hydro One Networks Inc. is granted leave to sell assets listed in Schedule A (Table 1) to Essex Powerlines Corporation.

**DATED** at Toronto March 30, 2017

**ONTARIO ENERGY BOARD**

*Original Signed By*

Brian Hewson  
Vice President, Consumer Protection and Industry Performance

**SCHEDULE A**

List of assets being transferred from Hydro One to Essex:

Table 1 - List of assets being transferred from Hydro One to Essex

Asset Type	Count
Poles along with the associated conductor and hardware	41
<b>Total (\$) before applicable taxes</b>	<b>\$36,000</b>