

**Hydro One Networks Inc.**

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**Joanne Richardson**

Director – Major Projects and Partnerships  
Regulatory Affairs



BY COURIER

May 4, 2017

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 Ottawa River Power Corp.**

In accordance with the Distribution System Code amendments of December 21, 2015, Hydro One Networks Inc. and Ottawa River Power Corp. are jointly applying to the Ontario Energy Board ("Board") for approval to amend the service areas of both distributors such that 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.

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

Attachment  
cc. Jane Donnelly



# **Ontario Energy Board**

## **Elimination of Load Transfer Arrangements Between Hydro One Networks Inc. and Ottawa River Power Corporation**

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

**May 5, 2017**

## **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 Ottawa River Power Corporation ("Ottawa River Power") are jointly applying to the Ontario Energy Board ("OEB") for approval to amend the service areas of both distributors such that 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 Ottawa River Power Corporation	Licence Number ED-2003-0033
Address: 283 Pembroke St. West PO Box 1087 Pembroke, ON K8A 6Y6	Telephone Number 613-732-3687
	Facsimile Number 613-732-9838
	E-mail Address: jdonnelly@orpowercorp.com
Contact Person: Jane Donnelly President and CEO	Telephone Number As listed above
	Facsimile Number As listed above
	E-mail Address As listed above

### 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, Ottawa River Power's licence will include all of the premises in Attachment 1, and Hydro One's licence will include all of the premises in Attachment 2. The premises that are added to one distributor's licence, will be removed from the other distributor's licence.</p> <p>No amendments to Hydro One's licence are required.</p> <p>Once the application is approved, Ottawa River Power's licence will be amended to state the following (the amendments are italicized below):</p> <ol style="list-style-type: none"><li>1. The former Village of Beachburg as of December 31, 2000 <i>except for 27 Davidson Road located on Lot 10, Concession 4 in the Township of Whitewater Region.</i></li><li>2. The former Village of Killaloe as of June 30, 2000.</li><li>3. The City of Pembroke as at January 1, 1984.</li><li>4. The former Town of Almonte as of December 31, 1997 <i>except for 5703 Martin St. North located on Lot 17 Concession 10.</i></li><li>5. West Half Lot 14, Concession 10 Geographic Township of Ramsay, Now Town of Mississippi Mills.</li><li>6. Phase 1 of the Sadler Estates Development located on part of Lot 16, Concession 10, in the Geographic Township of Ramsay, now in the Town of Mississippi Mills.</li><li>7. Property of Orchard View on 219 Patterson Street, East Part of Lot 14, Concession 10, Almonte Ward, now in the town of Mississippi Mills.</li><li>8. <i>15126, 15168 and 15340 Highway 60 located on Lot 7, 8, and 9 on Concession 5 in the Township of Killaloe, Hagarty and Richards.</i></li><li>9. <i>25 Smith Road located on Lot 9, Concession 5, in the Township of Whitewater Region.</i></li></ol>
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1.3.2	<b>Provide maps or diagrams of the area(s) that is the subject of the SAA application.</b> Please see Attachments 3 and 4.
1.3.3	<b>Provide a description of the type of physical connection(s); i.e., individual customer; residential subdivision, commercial or industrial customer.</b> Four Hydro One residential customers are proposed to be transferred to Ottawa River Power.  Two residential customers, and one microFIT customer are proposed to be transferred from Ottawa River Power to Hydro One.

#### **1.4 Information on Affected Load Transfer Customers**

1.4.1	<b>Provide a total number of load transfer arrangements between distributors.</b>  Section 1.3.3 addresses the majority of existing load transfer arrangements between the two distributors. Given that Ottawa River Power is an embedded LDC, there may be some load transfer arrangements that are not being addressed by this application.
1.4.2	<b>Provide a number of load transfers eliminated in this application.</b> Please see 1.3.3.
1.4.3	<b>Provide a number of customers to be transferred from Hydro One to Ottawa River Power.</b> Please see 1.3.3.
1.4.4	<b>Provide a number of customers to be transferred from Ottawa River Power to Hydro One.</b> Please see 1.3.3.
1.4.5	<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> Please see Attachments 1 and 2.
1.4.6	<b>Provide written confirmation that all affected persons have been provided with specific and factual information about the service area amendments.</b> Letters informing the customers of the proposed amendment were sent by Ottawa River Power and Hydro One to their respective customers on April 26, 2017.

## 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 Ottawa River Power Corporation to Hydro One Networks. Table 1 shows the delivery and total bill impacts for these customers at typical consumption levels.

**Table 1: Bill Impacts at Typical Consumption Levels for Customers Moving from Ottawa River Power Corporation (Rates effective May 1, 2017) to Hydro One Networks (Rates effective January 1, 2017)**

Monthly Consumption (kWh)	Ottawa River Power Corporation				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	16.47	0.0107	36.87	R2	19.83	0.0374	66.23	29.36

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

As shown in Table 2, customers moving from Hydro One Networks to Ottawa River Power Corporation 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 (Rates effective January 1, 2017) to Ottawa River Power Corporation (Rates effective May 1, 2017)**

Monthly Consumption (kWh)	Hydro One Networks				Ottawa River Power Corporation				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	19.83	0.0374	66.23	RES	16.47	0.0107	36.87	(29.36)

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

There is one Microfit account being transferred between Ottawa River Power Corporation and Hydro One Networks, for which no mitigation credit will be applied.

1.5.2	<p><b>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.</b></p> <p>No assets will be stranded as a result of this application.</p>
1.5.3	<p><b>Identify costs for stranded equipment that would need to be de-energized or removed.</b></p> <p>N/A – please see 1.5.2.</p>
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

**Include an estimate of the credit required for each customer to ensure there is not a negative impact on the total bill.**

The customers moving from Ottawa River Power Corporation to Hydro One Networks will receive a monthly bill credit to offset the increase in delivery charges<sup>1</sup>. In accordance with the Ontario Energy Board's (OEB) direction provided in "Amendments to the Distribution System Code", the credit will be calculated using each customer's average monthly consumption over the most recent 12 months at the time the application is filed for the OEB's approval. The credit will be fixed at this calculated level and remain in place as long as the customer remains the account holder. Any change to the Delivery charge that may result from the Ontario government's Fair Hydro Plan is not included in the credit calculation. Once the Fair Hydro Plan is finalized, the credit will be recalculated accordingly.

The OEB has confirmed that a deferral account will be provided for the purpose of tracking the rate mitigation costs for future recovery.

Table 3 provides the credit amounts for each specific residential customer moving from Ottawa River Power Corporation to Hydro One Networks.

**Table 3: Credit Amounts to Eliminate the Increase in Delivery Charges for Customers Moving from Ottawa River Power Corporation (Rates effective May 1, 2017) to Hydro One Networks (Rates effective January 1, 2017)**

Index	Average Monthly Consumption (kWh)	Ottawa River Power Corporation		Hydro One Networks		Monthly Credit (\$)
		Rate Class	Delivery Charges (\$)	Rate Class	Delivery Charges (\$)	
Cust1	958.04	RES	42.31	R2	78.88	36.57
Cust2	207.60	RES	22.69	R2	33.24	10.56

<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 upon approval of the application. 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>  Once approved, Hydro One will sell the assets servicing current Hydro One geographical customers to Ottawa River Power for \$7,054.00 plus applicable taxes. A detailed breakdown of the assets is included in Attachment 1.  Ottawa River Power will sell the assets servicing current Ottawa River Power geographical customers to Hydro One for \$4,356.00 plus applicable taxes. A detailed breakdown of the assets is included in Attachment 2.
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>  There are no third parties that will be impacted by this sale.

### **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 Joanne Richardson Director - Major Projects and Partnerships, Regulatory Affairs	Date
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(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 Jane Donnelly President and CEO	Date May 3, 2017
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(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.)

Map #	Primary Customer Name	Number	Street	City	Postal Code	Lot	Concession	Township	Meter ID No.	Classification Figure #	Geographical Distributor Rate Class, include Tariff (Res, Scomm + RPP, DCB, etc.)
		Premise Address							Meter Information		Customer care Billing Information
1		15126	HWY 60	HAGARTY	N0H 1R0	PT 7	5	HAGARTY	J3047476	Figure 5	R2_TOU_RPP
1		15168	HWY 60	HAGARTY	N0H 1R0		8	5 HAGARTY	J3471506	Figure 7	R2_TOU_RPP
1		15340	HWY 60	HAGARTY	N0H 1R0		9	5 HAGARTY	J3569538	Figure 14	R2_2TR_RPP
2		25	SMITH ST	WESTMEATH			9	5EML WESTMEATH	J3012636	Figure 14	R2_2TR_RPP

	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	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		20	
Neutral									20	20			20		20	
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	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	0	0	0	Total Primary (m)
Toal Buss (m)	120															

POLES	30	35	40	45	50	55	Total
Main Page	0	0	0	0	0	0	0
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	0	0	0	0

Transformers	5	10	15	25	50	75	100	167	Total
Main Page	0	1	0	2	0	0	0	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	1	0	2	0	0	0	0	3
Sentinel Lights (Total)	0								

### ASSET SUMMARY

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

	Geographical Distributor LTLT Customer and Asset Transfer Information										
Map #	Primary Customer Name	Number	Street	City	Postal Code	Lot	Concession	Township	Meter ID No.	Classification Figure #	Geographical Distributor Rate Class, include Tariff (Res, Scomm + RPP, DCB, etc.)
		Premise Address							Meter Information		Customer care Billing Information
2		27	Davidson Road	Beachburg	K0J 1C0	10	4	Whitewater Region	OPRC020960		RE,TOU
1		5703	Martin St. North	Almonte	K0A 1A0	17	10	Ramsey	OPRC026387		RE,TOU
1		5703	Martin St. North	Almonte	K0A 1A1	17	10	Ramsey	OPRC031629		Microfit

	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	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	20	
Neutral									20	20				20	20	
Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0	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	0	0	0	Total Primary (m)
Toal Buss (m)	0															

POLES	30	35	40	45	50	55	Total
Main Page	0	0	0	0	0	0	0
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	0	0	0	0

Transformers	5	10	15	25	50	75	100	167	Total
Main Page	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0
Sentinel Lights (Total)	0								









#### ASSET SUMMARY

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

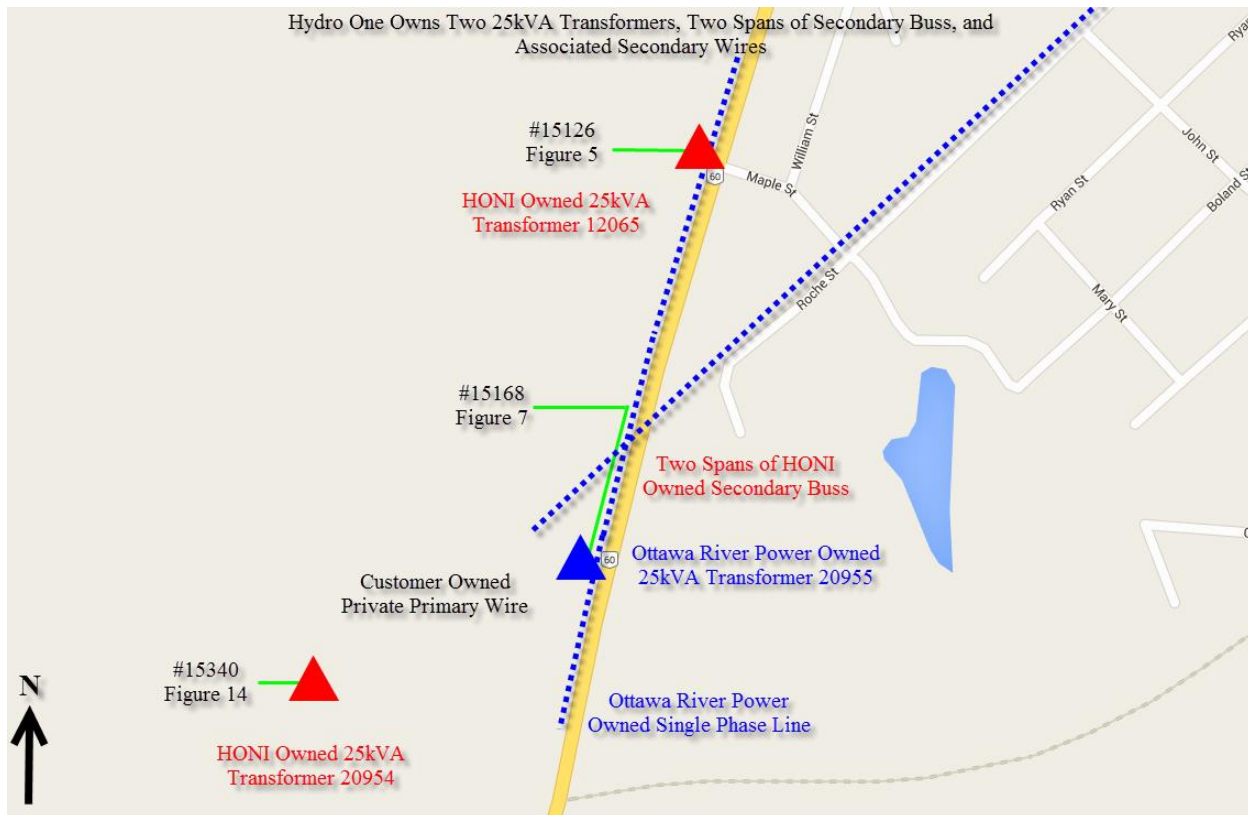
# Hydro One Geographical LDC Maps for LTLT Elimination with Ottawa River Power

## as Physical LDC

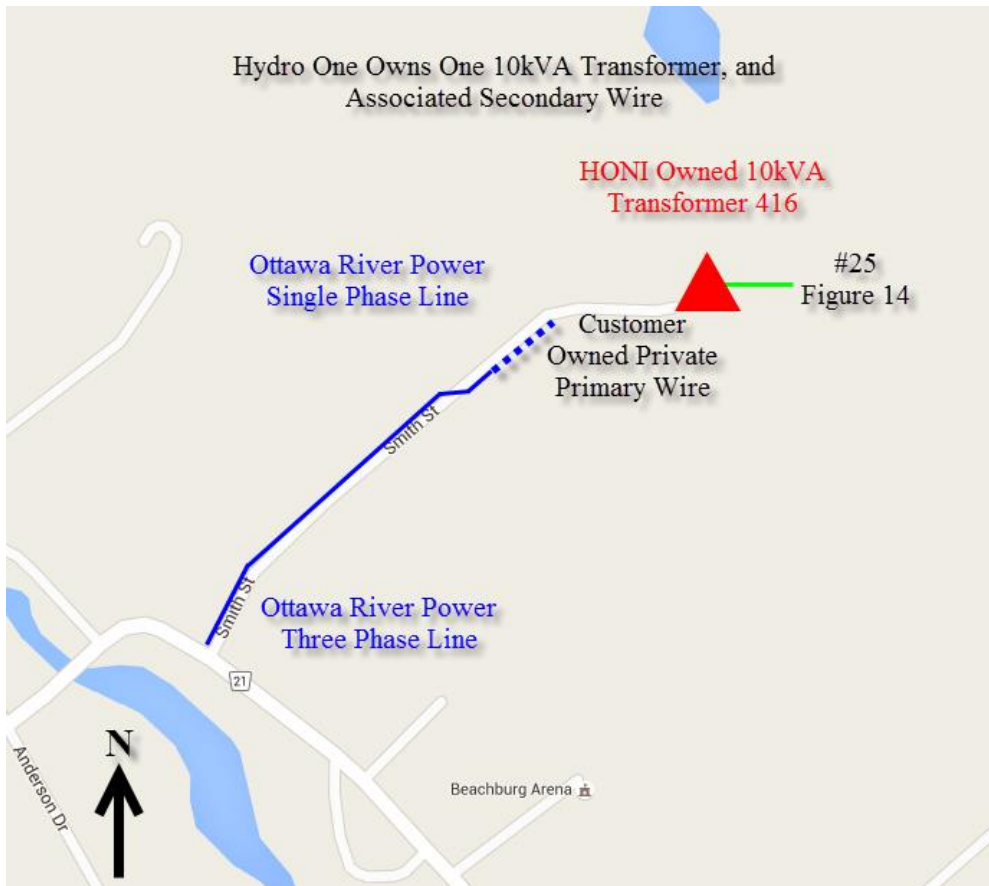
### Maps Legend

	All LDC Primary Assets and Buss
	LDC Transformer
	HONI Three Phase Transformer
	HONI Transformer
	All HONI Secondary including Buss
	HONI Three Phase Primary
	HONI Single Phase Primary
	HONI Poles

Map #1 -



Map #2 –





## Ottawa River Power Geographical LDC Maps for LTLT Elimination with Hydro One

As Physical LDC

### Maps Legend



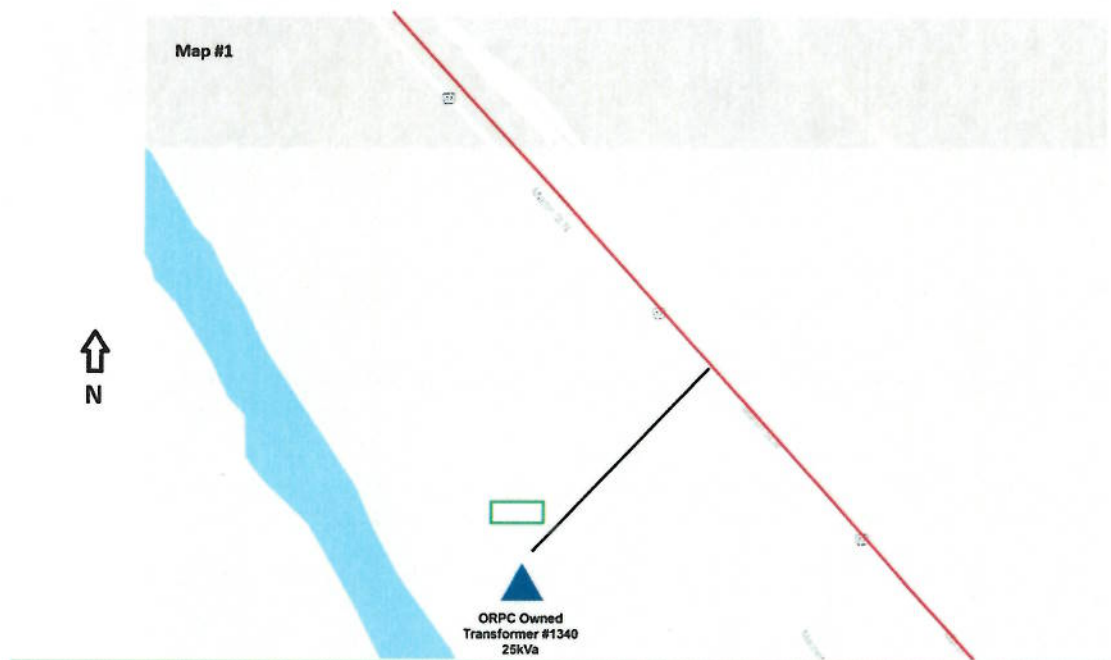
Ottawa River Power Owned Transformer



HONI OWED ASSETS



Customer Premise



Map 1A





