Hydro One Networks Inc.

7th 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

May 17, 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 Innpower Corporation

In accordance with the Distribution System Code amendments of December 21, 2015, Hydro One Networks Inc. and Innpower Corporation 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. Brenda L. Pinke



Ontario Energy Board

Elimination of Load Transfer Arrangements
Between
Hydro One Networks Inc. and Innpower
Corporation

Combined Service Area Amendment and Asset Transfer Application

May 17, 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 Innpower Corporation ("Innpower") 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.

During the course of the LTLT Elimination exercise, a new customer requested connection at 7510 County Road 27, in Hydro One's territory. This customer was connected directly to Innpower as it was economically and electrically efficient, as this customer neighboured other LTLT customers.

1.2 **Identification of the Parties**

1.2.1 Applicant

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

Name of Applicant	Licence Number
Hydro One Networks Inc.	ED-2003-0043
Address	Telephone Number
483 Bay Street, 7 th Floor, South Tower	416-345-5405
Toronto, ON	Facsimile Number
M5G 2P5	416-345-5866
	E-mail Address: Regulatory@HydroOne.com
Contact Person	Telephone Number
Pasquale Catalano	As listed above.
Regulatory Advisor	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 Innpower Corporation	Licence Number ED-2002-0520				
Address: 7251 Yonge Street	Telephone Number 705-431-4321				
Innisfil, Ontario L9S 0J3	Facsimile Number 705-431-6872				
	E-mail Address: Regulatoryaffairs@innpower.ca				
Contact Person: Brenda L Pinke Regulatory Conservation Manager	Telephone Number 705-431-6870 Ext 262				
	Facsimile Number 705-731-6872				
	E-mail Address brendap@innpower.ca				

1.3 Description of Proposed Service Area

1.3.1 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).

The proposed amendments are premise specific. Once this application is approved, Innpower's licence will include all of the premises in Attachment 1, and the premises will be removed from Hydro One's licence.

Once the application is approved, the following changes to Hydro One's licence are required:

To be added to Schedule 1, Appendix B, Tab 4:

Name of Municipality: Township of Essa at at March 31, 1999.

Formerly Known As: Same.

Area Not Served by Networks: The area served by Alectra Utilities Corporation described as the former Police Village of Thornton as more particularly set out in Licence No. ED-2016-0360. The area served by Innpower Corporation as more particularly set out in Licence No. ED-2002-0520.

Networks assets within area not served by Networks: Yes Customer(s) within area not served by Networks: No

Once the application is approved, Innpower's licence will be amended to state the following:

SCHEDULE 1 - Definition of Distribution Service Area

This schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with paragraph 8.1 of this Licence.

- 1. The Town of Innisfil as of January 1, 1994.
- 2. The west side of Highway 27 along the western border of the Town of Innisfil boundaries as of January 1, 1994. Civic addresses included on the west side of Highway 27 are as follows, 5202, 5270, 5332,5362, 5380, 5516, 5660, 5668, 5678, 5694, 5824, 5866, 5992, 6056, 6506 A, 6066, 6124, 6212, 6264, 6388, 6396, 6482, 6528, 7040, 7050, 7060, 7072, 7082, 7092, 7122, 7132, 7144, 7152, 7188, 7198, 7332, 7428, 7510, 7540, 7544, 7546, 7558, 7672, 7676, 7680, 7716, 7722, 7738, 7752 and 7816 Highway 27, Innisfil.

- 1.3.2 Provide maps or diagrams of the area(s) that is the subject of the SAA application. Please see Attachments 2 and 3.
- 1.3.3 Provide a description of the type of physical connection(s); i.e., individual customer; residential subdivision, commercial or industrial customer.

57 customers are proposed to be transferred from Hydro One to Innpower.

- 6 General Service customers
- 48 Residential customers
- 1 MicroFIT customer
- 2 Sentinel Light customers

In addition, the proposed service area amendment will include the customer at 7510 County Road 27, who was connected to Innpower, but is currently in Hydro One's service territory. Please see Attachment 3 for a map showing this customer's location.

1.4 Information on Affected Load Transfer Customers

1.4.1	Provide a total number of load transfer arrangements between distributors. Section 1.3.3 addresses the majority of existing load transfer arrangements between the two distributors. Given that Innpower is an embedded LDC, there may be some load transfer arrangements that are not being addressed by this application.
1.4.2	Provide a number of load transfers eliminated in this application. Please see 1.3.3.
1.4.3	Provide a number of customers to be transferred from Hydro One to Innpower Please see 1.3.3.
1.4.4	Provide a number of customers to be transferred from Innpower to Hydro One. There are no customers to be transferred from Innpower to Hydro One.
1.4.5	Provide a list of affected load transfer customers. (Customer listing must include customer address, name, billing address, rate class and meter number) Please see Attachment 1.
1.4.6	Provide written confirmation that all affected persons have been provided with specific and factual information about the service area amendments. Letters informing the customers of the proposed amendment were sent by Hydro One to their customers on April 21, 2017.

1.5. Impacts Arising from the Amendment(s)

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.

As shown in Table 1, customers moving from Hydro One Networks to InnPower Corporation will see a reduction in their monthly delivery charges. As such, no credits are required for these customers. Please note that the calculations below are based on an interim rate order for InnPower Corporation issued by the OEB on December 21, 2016. Once InnPower Corporation receives its final rate order for 2017 rates (effective January 1, 2017), the bill impacts will be recalculated accordingly.

Table 1: Bill Impacts at Typical Consumption Levels for Customers Moving from Hydro One Networks (Rates effective January 1, 2017) to InnPower Corporation (Rates effective January 1, 2016)

		Hydro Or	e Networks	1		Average			
Monthly Consumption (kWh)	Rate Class	Fixed Charge (\$)	Variable Charge (\$/kWh or \$/kW)	Delivery Charge (\$)**	Rate Class	Fixed Charge (\$)	Variable Charge (\$/kWh or \$/kW)*	Delivery Charge (\$)**	Monthly Delivery Impact on Total Bill (\$)
750	R2	19.83	0.0374	66.23	RES	24.85	0.0161	51.64	(14.59)
2,000	GSE	27.87	0.0560	183.31	GS<50	34.33	0.0103	91.34	(91.97)

^{*} Includes low voltage charge

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 application.

- 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 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.

 Please see Part 2.
- 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.

There are no credits required as none of the customers being transferred will be negatively impacted.

^{**} Includes RTSR charges and cost of losses.

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

2.1 Description of the Assets to Be Transferred

2.1.1	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) See Attachment 1.
2.1.2	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. 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 Attachment 2 for maps indicating the location of the assets.
2.1.3	Indicate which distributor's customers are currently served by the assets. 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	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.
	Once approved, Hydro One will sell the assets servicing current Hydro One geographical customers to Innpower for \$69,842.00 plus applicable taxes. A detailed breakdown of the assets is included in Attachment 1.
2.2.2	Will the transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties? If yes, please specify how.
	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	Date
	Joanne Richardson	
ORIGINAL SIGNED BY JOANNE	Director - Major Projects and	May 17, 2017
RICHARDSON	Partnerships, Regulatory Affairs	

(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
	Jennifer Cowles	
ORIGINAL SIGNED BY	Interim CFO/Treasurer	May 16, 2017
JENNIFER COWLES	Innpower Corporation	

(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.)

Filed: 2017-05-17 Attachment 1 Page 1 of 2

Geographical Distributor LTLT Customer and Asset Transfer Information

		ation									
					Premise Address			1		Classification	
Map#	Primary Customer Name	Number	Street	City	Postal Code	Lot	Concession	Township	Meter ID No.	Figure #	Billing Information
1	, , , , , , , , , , , , , , , , , , ,	5202	COUNTY RD 27	ESSA	LOL 1LO	3E	11	ESSA	J2906481	Fig.5	R2 TOU RPP
1		5270	COUNTY RD 27	ESSA	LOL 1LO	E3	11	ESSA	J2869117	Fig.5	R2 TOU RPP
1		5332	COUNTY RD 27	ESSA	LOL 1LO	4E	11	ESSA	J2906482	Fig.5	R2_TOU_RPP
1		5362	COUNTY RD 27	ESSA	K6V 5T1	E4	11	ESSA	J3570760	Fig.5	GSE_2TRRPP
1		5362	COUNTY RD 27	ESSA	K6V 5T1	E4	11	ESSA		Fig.5	SNL_2TRRPP
1		5380	COUNTY RD 27	ESSA	LOL 1LO	E 4	11	ESSA	J3530152	Fig.5	R2_TOU_RPP
1		5380	COUNTY RD 27	ESSA	LOL 1LO	E 4	11	ESSA	J3288138	Fig.5	MICROFIT
2	_	5516	COUNTY RD 27 COUNTY RD 27	ESSA	LOL 1LO LOL 1LO	E5 0	11	ESSA ESSA	J2906603	Fig.6	R2_TOU_RPP GSE TOURPP
2		5516 5616	COUNTY RD 27	ESSA ESSA	LOL 1LO	E 6	0 11	ESSA	J2906601 J2906497	Fig.6 Fig.5	R2 TOU RPP
2	-	5628	COUNTY RD 27	ESSA	LOL 1LO	6E	11	ESSA	J2906480	Fig.5	R2_TOU_RPP
3	-	5660	COUNTY RD 27	ESSA	LOL 1LO	7E	11	ESSA	J2906483	Fig.6	R2 TOU RPP
3	-	5668	COUNTY RD 27	ESSA	LOL 1LO	E7	11	ESSA	J2869116	Fig.5	R2 TOU RPP
		5678	COUNTY RD 27	ESSA	LOL 1LO	E7	11	ESSA	J2906411	Fig.5	R2 TOU RPP
3		5694	COUNTY RD 27	ESSA	LOL 1LO	S 7	11	ESSA	J2906410	Fig.14	R2_TOU_RPP
3		5814	COUNTY RD 27	ESSA	LOL 1LO	8E	11	ESSA	J2906486	Fig.9	R2_TOU_RPP
3		5824	COUNTY RD 27	ESSA	LOL 1LO	0	0	ESSA	J2906487	Fig.5	R2_TOU_RPP
4		5866	COUNTY RD 27	ESSA	LOL 1LO	E8POK	11	ESSA	J3570761	Fig.9	R2_2TR_RPP
4		5992	COUNTY RD 27	ESSA	LOL 1LO	E9	11	ESSA	J2947957	Fig.4	R2_TOU_RPP
4		6056	COUNTY RD 27	ESSA	LOL 2NO	E10	11	ESSA	J2906484	Fig.4	R2_DCB
4		6066	COUNTY RD 27	ESSA	LOL 2NO	10	11	ESSA	J2906783	Fig.5	R2_TOU_RPP
5	_	6056 A	COUNTY RD 27	ESSA	LOL 2N2	SE10 E10	11	ESSA	J3610157	Fig.6	GSE_TOURPP
5		6124 6212	COUNTY RD 27 COUNTY RD 27	ESSA ESSA	K6V 5T1 K6V 5T1	E10	11 11	ESSA ESSA	J2226397 J2906780	Fig.1	R2_TOU_RPP R2_TOU_RPP
5	-	6264	COUNTY RD 27	ESSA	LOL 2NO	E12	11	ESSA	J2906780 J2906248	Fig.9 Fig.4	R2_TOU_RPP
5		6264	COUNTY RD 27	ESSA	LOL 2NO	E12	11	ESSA	32300248	Fig.8	SNL 2TRRPP
6		6388	COUNTY RD 27	ESSA	LOL 2NO	E13	11	ESSA	J2906719	Fig.6	R2 TOU RPP
6		6396	COUNTY RD 27	ESSA	LOL 2NO	E13	11	ESSA	J3483875	Fig.6	R2 TOU RPP
6		6482	COUNTY RD 27	ESSA	LOL 2NO	E13	11	ESSA	J2906718	Fig.8	R2_TOU_RPP
6		6528	COUNTY RD 27	ESSA	LOL 2NO	13	11	ESSA	J2906708	Fig.5	R2_TOU_RPP
7		7040	COUNTY RD 27	ESSA	K6V 5T1	E18	11	ESSA	J3179793	Fig.9	R2_TOU_RPP
		#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	J2919646	Fig.5	GSE_DCB
		#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	J2919645	Fig.5	GSE_DCB
7		7072	COUNTY RD 27	ESSA	LOL 2NO	E18	11	ESSA	J2656070	Fig.2	R2_TOU_RPP
7	-	7082 7092	COUNTY RD 27 COUNTY RD 27	ESSA ESSA	LOL 2N2 LOL 2N0	18 E18	11 11	ESSA ESSA	J2656068 J2656124	Fig.5 Fig.2	R2_TOU_RPP R2_TOU_RPP
7		7122	COUNTY RD 27	ESSA	LOL 2NO	E18	11	ESSA	J2656124 J2656126	Fig.4	R2_TOU_RPP
7		7132	COUNTY RD 27	ESSA	LOL 2NO	E 18	11	ESSA	J2656125	Fig.4	R2_TOU_RPP
7	-	7144	COUNTY RD 27	ESSA	LOL 2NO	E 18	11	ESSA	J2656127	Fig.1	R2 TOU RPP
7		7152	COUNTY RD 27	ESSA	LOL 2NO	NE18	11	ESSA	J2639959	Fig.5	R2 TOU RPP
8		7188	COUNTY RD 27	ESSA	LOL 2N2	E19	11	ESSA	J2639957	Fig.2	R2_TOU_RPP
8		7198	COUNTY RD 27	ESSA	K6V 5T1	19	11	ESSA	J2639956	Fig.5	R2_TOU_RPP
8		7332	COUNTY RD 27	ESSA	LOL 2NO	E20	11	ESSA	J3017113	Fig.14	R2_2TR_RPP
9		7428	COUNTY RD 27	ESSA	K6V 5T1	21	11	ESSA	J3476057	Fig.16	R2_2TR_RPP
9		7540	COUNTY RD 27	ESSA	LOL 2NO	E22	11	ESSA	J2656128	Fig.9	R2_2TR_RPP
9		7544	COUNTY RD 27	ESSA	LOL 2NO	E22	11	ESSA	J2656129	Fig.14	R2_2TR_RPP
9		7546 7558	COUNTY RD 27 COUNTY RD 27	ESSA ESSA	LOL 2NO LOL 2NO	E22 E22	11 11	ESSA ESSA	J3551041	Fig.14	GSE_2TRRPP R2 2TR RPP
10		7558 7588	COUNTY RD 27	ESSA	LOL 2NO LOL 2NO	NE22	11	ESSA	J2837272 J3365864	Fig.1 Fig.2	R2_2TR_RPP R2_2TR_RPP
10		7672	COUNTY RD 27	ESSA	LOL 2NO	EH23	11	ESSA	J2656117	Fig.2	R2_ZTR_RPP
10		7676	COUNTY RD 27	ESSA	LOL 2NO	EH23	11	ESSA	J2656118	Fig.5	R2 TOU RPP
10		7680	COUNTY RD 27	ESSA	LOL 2N2	E23	11	ESSA	J2656119	Fig.1	R2 TOU RPP
11		7716	COUNTY RD 27	ESSA	LOL 2N2	23	11	ESSA	J3395692	Fig.15	R2_TOU_RPP
11		7722	COUNTY RD 27	ESSA	LOL 2NO	E23	11	ESSA	J2655947	Fig.14	R2_2TR_RPP
11		7738	COUNTY RD 27	ESSA	LOL 2NO	E 23	11	ESSA	J2655944	Fig.3	R2_TOU_RPP
11		7752	COUNTY RD 27	ESSA	LOL 2N2	E23	11	ESSA	J3602089	Fig.7	R2_2TR_RPP
11		7816	COUNTY RD 27	ESSA	LOL 2NO	E24	11	ESSA	J2807432	Fig.13	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	1
Main Page	5	5 4	2	4	19	7	1	2	5	0	0	0	1	5	1		
Special Case #1																	1
special Case #2																	1
pecial Case #3																	1
pecial Case #4																	
pecial Case #5																	1
pecial Case #6																	1
/H	20	70	20	70		50		50		63		63					•
/G	63	3	63		63		63		63		63						
rimary									20	20			20		20	Ī	
leutral									20	20			20		20	Ī	
ubtotal	5	5	2	4	19	7	1	2	5	0	0	0	1	5	1	. 0	1
otal O/H	100	280	40	280	0	350	0	100	0	0	0	0	0	0	C	Total Secondary O/H (m)	
otal U/G	315	5 (126	0	1197	0	63	0	315	0	0	0	0	0	0	Total Secondary U/G (m)	
otal Primary	C) (0	0	0	0	0	0	200	0	0	0	40	0	40	Total Primary (m)	
oal Buss (m)	300)															

POLES	30	35	40	45	50	55	Total
Main Page	6	11	5	0	0	0	22
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	6	11	5	0	0	0	22

Transformers	5	10	15	25	50	75	100	167	Total
Main Page	3	5	3	26	4	4	0	0	45
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	3	5	3	26	4	4	0	0	45
Sentinel Lights (Total)	2								

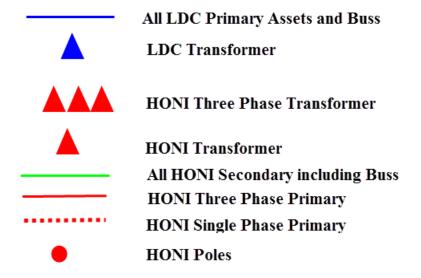
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Poles	30	35	40	45	50	55	Total		
	6	11	5	0	0	0	22		
Transformers	5	10	15	25	50	75	100	167	Total
	3	5	3	26	4	4	0	0	45
Primary Wire (metres)	280								
Secondary O/H Wire (Metres)	1450								
Secondary U/G Wire (Metres)	2016								
Current Transformers	0								
Sentinel Lights	2								
Easements	0	1							

Hydro One Geographical LDC Maps for LTLT Elimination with Innpower Corporation

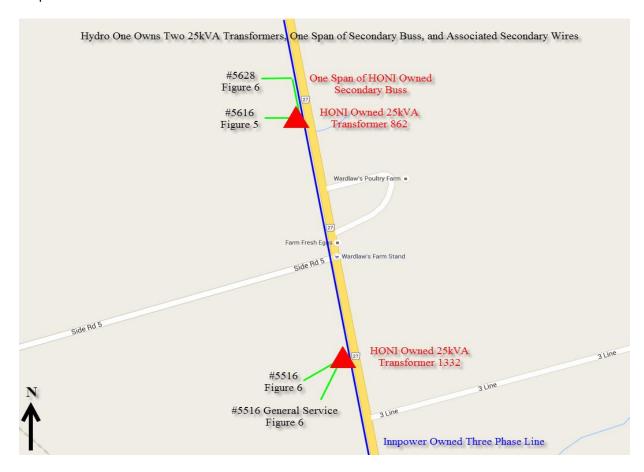
as Physical LDC

Maps Legend

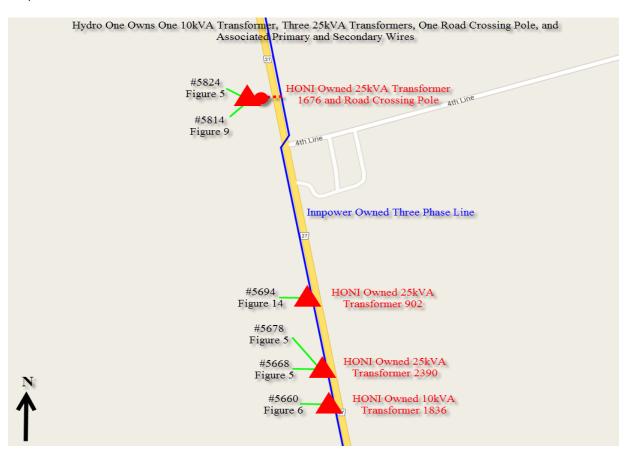


Map #1 -

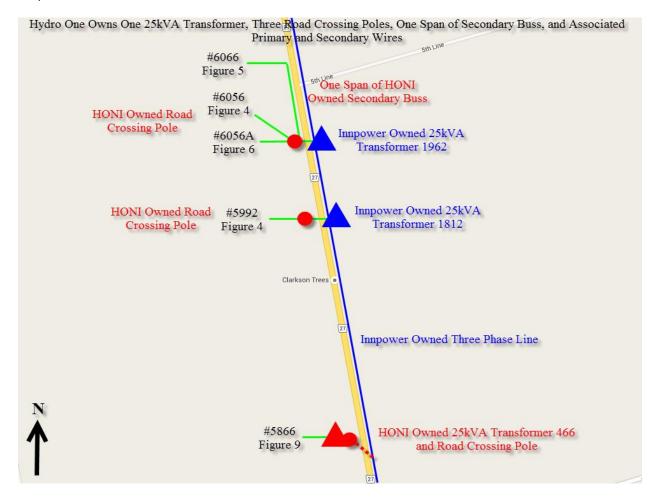




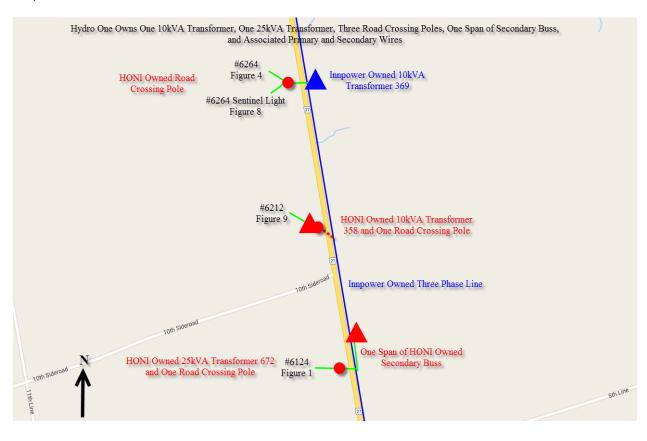
Map #3 -

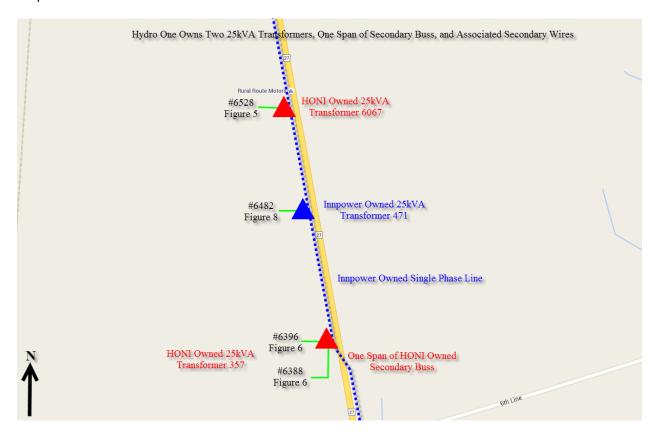


Map #4 -

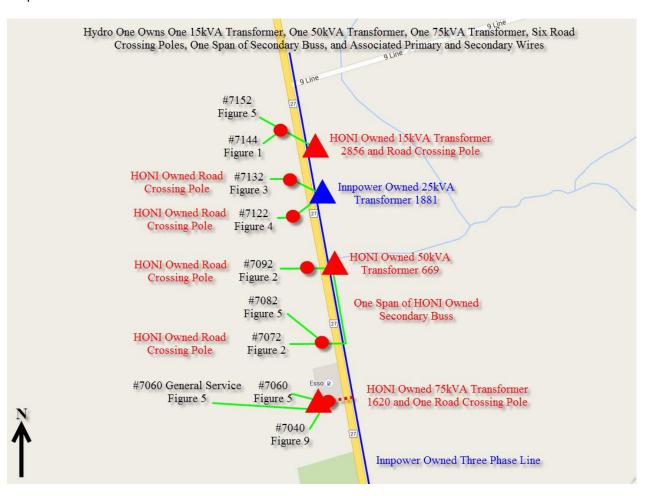


Map #5 -





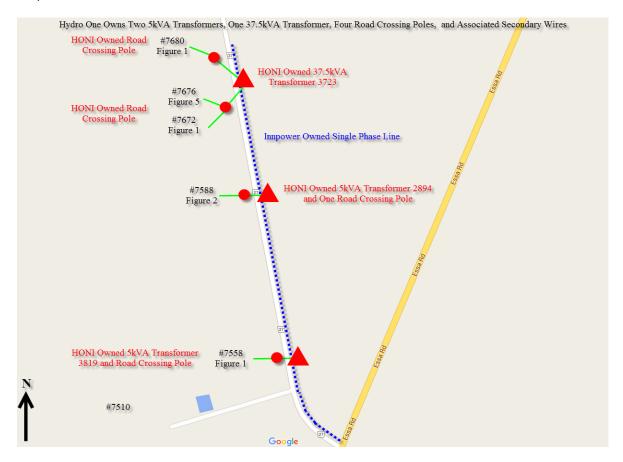
Map #7 -



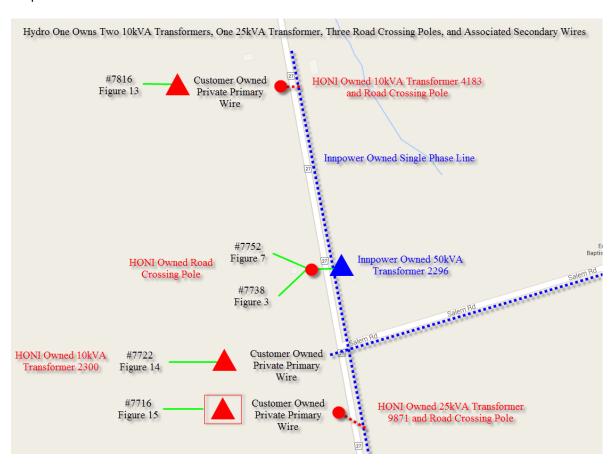


Map #9 -





Map #11 -



InnPower Corporation

Filed: 2017-05-17 Attachment 3 Page 1 of 1

Physical Assets for Civic # 7510 County Road 27

Map Legend

▲ InnPower Transformer

—— InnPower Three Phase Primary

—— InnPower Single Phase Primary

— InnPower Secondary/Service

InnPower Poles

Customer Owned Primary

Customer Owned Pole

7510 County Rd. 27 Assets

