



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

---

## **DECISION AND ORDER**

**EB-2017-0138**

**NIAGARA PENINSULA ENERGY INC.**

**WELLAND HYDRO-ELECTRIC SYSTEM CORP.**

**Joint Application for Elimination of Load Transfer Arrangements**

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

---

**May 18, 2017**

## INTRODUCTION AND SUMMARY

Niagara Peninsula Energy Inc. (NPEI) and Welland Hydro-Electric System Corp. (WHESC) 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

NPEI and WHESC (collectively, the Applicants) filed a joint application on March 16, 2017 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, NPEI seeks to transfer 14 specific customers of two rate classes to WHESC. Of these customers, 13 are "Residential" customers and 1 is a "General Service" customer. There are no customers being transferred from WHESC to NPEI, as part of this application.

NPEI also requests OEB's approval to sell the distribution assets servicing the affected 14 customers to WHESC for \$22,282 plus applicable taxes. The application notes that there are no third parties impacted by this sale and the residual value of any meters that would not be reutilized is immaterial, if the application is approved.

## **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 NPEI and WHESC. NPEI and WHESC's licences will be amended to reflect the proposed transfer of affected customers. The customers being transferred from NPEI to WHESC will see a reduction in their monthly delivery charges and, therefore, no credits are required for these customers.

NPEI and WHESC are reminded that both geographic and physical distributors shall ensure that all relevant consumer information including, but not limited to, information regarding security deposits and consumption is properly transferred to the physical distributor to allow for the continuous billing of consumers and the continuous application of Ontario Electricity Support Program (OESP) rate assistance to the bills of eligible consumers.

An itemized list of assets authorized for transfer between NPEI and WHESC is set out in Schedule A of this Decision and Order.

## **IT IS ORDERED THAT:**

1. Schedule 1 of Niagara Peninsula Energy Inc.'s Electricity Distribution Licence (ED-2007-0749) is amended. The amended licence is attached to this Decision and Order.
2. Schedule 1 of Welland Hydro-Electric System Corp.'s Electricity Distribution Licence (ED-2003-0002) is amended. The amended licence is attached to this Decision and Order.
3. Niagara Peninsula Energy Inc. is granted leave to sell assets listed in Schedule A (Table 1) to Welland Hydro-Electric System Corp.

**DATED** at Toronto May 18, 2017

**ONTARIO ENERGY BOARD**

*Original Signed By*

Brian Hewson  
Vice President, Consumer Protection and Industry Performance

**SCHEDULE A**

List of assets being transferred between NPEI and WHESC:

Table 1 - List of assets being sold by NPEI to WHESC

<b>Asset Type</b>	<b>Count</b>
Poles	19
Transformers	10
Primary Wire and Neutral (m)	894
Secondary Buss (m)	-
Secondary O/H Wire (m)	600
Secondary U/G Wire (m)	315
Current Transformers	2
Sentinel Lights	-
Easements	-
<b>Total (\$) before applicable taxes</b>	<b>\$22,282</b>