



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

DECISION AND ORDER

EB-2017-0141

HYDRO ONE NETWORKS 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

Hydro One Networks Inc. (HONI) 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

HONI and WHESC (collectively, the Applicants) filed a joint application on March 22, 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, HONI seeks to transfer one residential customer to WHESC. There are no customers being transferred from WHESC to HONI, as part of this application.

HONI also requests OEB's approval to sell the distribution assets servicing the affected customer to WHESC for \$3,381 plus applicable taxes. The application notes that there are no third parties impacted by this sale and no assets will be stranded, 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 HONI and WHESC. HONI and WHESC's licences will be amended to reflect the proposed transfer of affected customers. The customer being transferred from HONI to WHESC will see a reduction in its monthly delivery charges and, therefore, no credits are required for the customer.

HONI 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 the affected consumer 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 HONI and WHESC is set out in Schedule A of this Decision and Order.

IT IS ORDERED THAT:

1. Schedule 1 (Appendix B, Tab 4) 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. 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. Hydro One Networks 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 HONI and WHESC:

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

Asset Type	Count
Poles	-
Transformers	1
Primary Wire and Neutral (m)	-
Secondary Buss (m)	-
Secondary O/H Wire (m)	-
Secondary U/G Wire (m)	-
Current Transformers	1
Sentinel Lights	-
Easements	-
Total (\$) before applicable taxes	\$3,381