



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

DECISION AND ORDER

EB-2017-0207

HYDRO ONE NETWORKS INC.

INNPOWER CORPORATION

Joint Application for Elimination of Load Transfer Arrangements

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

June 15, 2017

INTRODUCTION AND SUMMARY

Hydro One Networks Inc. (Hydro One) and Innpower Corporation (Innpower) have jointly applied to the Ontario Energy Board (OEB) for approval to amend the service areas of both distributors such that load transfer arrangements between the two distributors are eliminated. A load transfer arrangement is a situation in which a customer 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

Hydro One and Innpower (collectively, the Applicants) filed a joint application on May 17, 2017 under sections 74 and 86(1)(b) of the Act.

The application was filed pursuant to the Distribution System Code (DSC) amendments made by the OEB in EB-2015-0006 and in accordance with the OEB's filing guidelines for combined service area amendments and sale of assets. In EB-2015-0006, the OEB set out its policy on the elimination of load transfer arrangements between electricity distributors in Ontario. On December 21, 2015, section 6.5.3 of the DSC was amended to require distributors to eliminate all load transfer arrangements by June 21, 2017, and section 6.5.6 was amended to prohibit distributors from entering into any new load transfer arrangements.

Through the application, Hydro One seeks to transfer 57 specific customers of various rate classes to Innpower. Of these customers, 48 are "Residential", 6 are "General Service", 1 is "MicroFIT" and 2 are "Sentinel Light" customers. Hydro One also requests the OEB's approval to sell the distribution assets servicing these customers to Innpower for \$69,842 plus applicable taxes. There are no customers being transferred from Innpower to Hydro One, as part of this application. The Applicants submit that there are no third parties impacted by this sale and no assets will be stranded, if the application is approved.

FINDINGS

The OEB finds 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 Hydro One and Innpower. Hydro One and Innpower's licences will be amended to reflect the proposed transfer of the affected customers.

The affected Residential and General Service customers moving from Hydro One to Innpower will see a reduction in their monthly delivery charges; as such, no credits are required for these customers.

Hydro One and Innpower are reminded that both geographic and physical distributors shall ensure that all relevant customer 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 customers and the continuous application of Ontario Electricity Support Program (OESP) rate assistance to the bills of eligible customers.

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. Schedule 1 of Innpower Corporation's Electricity Distribution Licence (ED-2002-0520) 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 Innpower Corporation.

DATED at Toronto June 15, 2017

ONTARIO ENERGY BOARD

Original signed by

Brian Hewson
Vice President, Consumer Protection and Industry Performance

SCHEDULE A

The assets being transferred between Hydro One and Innpower are listed below:

Table 1 - List of assets being sold by Hydro One to Innpower

Asset Type	Count
Poles	22
Transformers	45
Primary Wire and Neutral (m)	280
Secondary Buss (m)	-
Secondary O/H Wire (m)	1,450
Secondary U/G Wire (m)	2,016
Current Transformers	-
Sentinel Lights	2
Easements	-
Total (\$) before applicable taxes	\$69,842