



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

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## **DECISION AND ORDER**

**EB-2017-0239**

**MILTON HYDRO DISTRIBUTION INC.**

**OAKVILLE HYDRO ELECTRICITY DISTRIBUTION INC.**

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

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

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**June 29, 2017**

## INTRODUCTION AND SUMMARY

Milton Hydro Distribution Inc. (Milton Hydro) and Oakville Hydro Electricity Distribution Inc. (Oakville Hydro) 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

Milton Hydro and Oakville Hydro (collectively, the Applicants) filed a joint application on June 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 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, Milton Hydro seeks to transfer 8 specific customers of various rate classes to Oakville Hydro. Of these customers, 2 are "Residential", 4 are "General Service" and 2 are "Sentinel Light" customers. Milton Hydro also requests the OEB's approval to sell the distribution assets servicing these customers to Oakville Hydro for \$9,054 plus applicable taxes.

Oakville Hydro seeks to transfer 34 specific customers of various rate classes to Milton Hydro. Of these customers, 21 are “Residential”, 12 are “General Service” and the remaining customer belongs to “MicroFIT” rate class. Oakville Hydro also requests the OEB’s approval to sell the distribution assets servicing these customers to Milton Hydro for \$104,219 plus applicable taxes. The application notes that no assets will be stranded or become redundant and no third parties will be impacted, 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 Milton Hydro and Oakville Hydro. Milton Hydro and Oakville Hydro’s licences will be amended to reflect the proposed transfer of the affected customers.

As prescribed in section 6.5.4 of the DSC, the affected Residential and General Service customers moving from Milton Hydro to Oakville Hydro shall receive a monthly bill credit to offset the increase in delivery charges. The credit shall be calculated using each customer’s average monthly consumption over the most recent 12 months from the application filing date with the OEB. The credit shall be fixed at this calculated level and remain in place as long as the customer remains the account holder.

The Residential and General Service customers being transferred from Oakville Hydro to Milton Hydro will see a reduction in their monthly delivery charges and, therefore, no credits are required for these customers.

Milton Hydro and Oakville Hydro 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 Milton Hydro Distribution Inc.'s Electricity Distribution Licence (ED-2003-0014) is amended. The amended licence is attached to this Decision and Order.
2. Schedule 1 of Oakville Hydro Electricity Distribution Inc.'s Electricity Distribution Licence (ED-2003-0135) is amended. The amended licence is attached to this Decision and Order.
3. Milton Hydro Distribution Inc. is granted leave to sell assets listed in Schedule A (Table 1) to Oakville Hydro Electricity Distribution Inc.
4. Oakville Hydro Electricity Distribution Inc. is granted leave to sell assets listed in Schedule A (Table 2) to Milton Hydro Distribution Inc.

**DATED** at Toronto June 29, 2017

**ONTARIO ENERGY BOARD**

*Original signed by*

Brian Hewson  
Vice President, Consumer Protection and Industry Performance

**SCHEDULE A**

The assets being transferred between Milton Hydro and Oakville Hydro are listed below:

Table 1 - List of assets being sold by Milton Hydro to Oakville Hydro

<b>Asset Type</b>	<b>Count</b>
Poles	-
Transformers	4
Primary Wire and Neutral (m)	-
Secondary Buss (m)	-
Secondary O/H Wire (m)	100
Secondary U/G Wire (m)	-
Current Transformers	-
Sentinel Lights	2
Easements	-
<b>Total (\$) before applicable taxes</b>	<b>\$9,054</b>

Table 2 - List of assets being sold by Oakville Hydro to Milton Hydro

<b>Asset Type</b>	<b>Count</b>
Poles	20
Transformers	31
Primary Wire and Neutral (m)	480
Secondary Buss	120
Secondary O/H Wire (m)	870
Secondary U/G Wire (m)	315
Current Transformers	3
Sentinel Lights	2
Easements	-
<b>Total (\$) before applicable taxes</b>	<b>\$104,219</b>