

Hydro One Networks Inc.

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Joanne.Richardson@HydroOne.com



Joanne Richardson

Director – Major Projects and Partnerships
Regulatory Affairs

BY COURIER

October 25, 2017

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Hydro One Networks' Request for Leave to Sell Distribution Assets to Silver Dove Estates

Hydro One Networks seeks the Board's approval under Section 86(1)(b) of the Ontario Energy Board Act ("the Act"), for leave to sell assets to Silver Dove Estates. Given that the proposed sale has no material effect on any other party, we ask that the Board dispose of this proceeding without a hearing under Section 21(4)(b) of the Act.

An electronic copy of this has been filed through the Ontario Energy Board's Regulatory Electronic Submission System (RESS).

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

Attach.



Application Form for Applications Under Section 86(1)(b) of the *Ontario Energy Board Act, 1998*

Application Instructions

1. Purpose of This Form

This form is to be used by parties applying under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act"). Please note that the Board may require information that is additional or supplementary to the information filed in this form and that the filing of the form does not preclude the applicant from filing additional or supplementary information.

2. Completion Instructions

This form is in a writeable PDF. The applicant must either:

- type answers to all questions, print two copies, and sign both copies; or
- print a copy of the form, clearly print answers to all questions, make a copy, and sign both copies.

Please send both copies of the completed form and two copies of any attachments to:

Board Secretary
Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

If you have any questions regarding the completion of this application, please contact the Market Operations Hotline by telephone at 416-440-7604 or 1-888-632-6273 or email at market.operations@oeb.gov.on.ca.

The Board's "Performance Standards for Processing Applications" are indicated on the "Corporate Information and Reports" section of the Board's website at www.oeb.gov.on.ca. Applicants are encouraged to consider the timelines required to process applications to avoid submitting applications too late. If the submitted application is incomplete, it may be returned by the Board or there may be a delay in processing the application.

PART I: IDENTIFICATION OF PARTIES

1.1 Name of Applicant

Legal name of the applicant:	Hydro One Networks Inc.
Name of Primary Contact:	Pasquale Catalano
Title/Position:	Regulatory Advisor, Regulatory Affairs
Address of Head Office:	483 Bay Street, 7 th Floor, South Tower, Toronto, ON, M5G 2P5
Phone:	416-345-5405
Fax:	416-345-5866
Email:	regulatory@hydroone.com

1.2 Other Party to the Transaction (If more than one attach a list)

Name of other party:	Silver Dove Estates
Name of Primary Contact:	John Benjamins
Title/Position:	President
Address of Head Office:	4838 Switzer Dr., Appin, ON, N0L 1A0
Phone:	519-289-2100
Fax:	N/A
Email:	johnbenjamins@xelco.on.ca

- 1.3 If the proposed recipient is not a licensed distributor or transmitter, is it a distributor or transmitter that is exempted from the requirement to hold a distribution or transmission licence?

☒ Yes
☐ No

The recipient is not a licensed distributor. While section 57 of *the OEB Act* (“*the Act*”) requires a distributor to hold a licence, section 4.0.1(1)(b) of Ontario Regulation 161/99 provides an exemption to section 57 of *the Act* for a distribution system owned or operated by the distributor that is entirely located on land owned or leased by the distributor. As such, since the assets to be sold are entirely on land owned by the purchaser, Silver Dove Estates would be exempted from section 57 of *the Act*.

PART II: DESCRIPTION OF ASSETS TO BE TRANSFERRED

- 2.1 Please provide a description of the assets that are the subject of the proposed transaction.

The asset sale consists of four (4) overhead transformers as listed below:

1. 1 – 25 kVA overhead transformer, in-service date: 1980, Serial Number: 7192
2. 1 – 50 kVA overhead transformer, in-service date: 1997, Serial Number: 8784
3. 1 – 75 kVA overhead transformer, in-service date: 1985, Serial Number: 7193
4. 1 – 75 kVA overhead transformer, in-service date: 1964, Serial Number: 7475

- 2.2 Please indicate where the assets are located – whether in the applicant's service area or in the proposed recipient's service area (if applicable). Please include a map of the location.

The assets are located at 4838 Switzer Dr. in Appin. This is completely within Hydro One's territory, but it is more efficient for the customer to own their own assets to operate moving forward.

See Attachment 2 – Map

- 2.3 Are the assets surplus to the applicant's needs?

☐ Yes
☒ No

If yes, please indicate why the assets are surplus and when they became surplus.

- 2.4 Are the assets useful to the proposed recipient or any other party in serving the public?

☒ Yes
☐ No

If yes, please indicate why.

The transformers are useful only to serve customers of Silver Dove Estates campground.

- 2.5 Please identify which utility's customers are currently served by the assets.

The assets currently serve a Hydro One customer.

2.6 Please identify which utility's customers will be served by the assets after the transaction and into the foreseeable future.

The assets will continue to serve the same Hydro One customer. After the sale, the assets will be owned by the customer instead of the utility, but Hydro One will continue to supply electricity to this customer.

PART III: DESCRIPTION OF THE PROPOSED TRANSACTION

3.1 Will the proposed transaction be a sale, lease or other?

- ☒ Sale
☐ Lease
☐ Other

If other, please specify.

3.2 Please attach the details of the consideration (e.g. cash, assets, shares) to be given and received by each of the parties to the proposed transaction.

This is a cash sale. The sale price is \$848.86 plus HST \$110.35 for a total sale price of \$959.21. The sale price covers the net book value of the assets.

3.3 Would the proposed transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties?

- ☐ Yes
☒ No

If yes, please explain how.

3.4 Would the proposed transfer impact distribution or transmission rates of the applicant?

- ☐ Yes
☒ No

If yes, please explain how.

3.5 Will the transaction adversely affect the safety, reliability, quality of service, operational flexibility or economic efficiency of the applicant or the proposed recipient?

- ☐ Yes
☒ No

If yes, please explain how.

PART IV: WRITTEN CONSENT/JOINT AGREEMENT

- 4.1 Please provide the proposed recipient's written consent to the transfer of the assets by attaching:
- (a) a letter from the proposed recipient consenting to the transfer of the assets;
 - (b) a letter or proposed sale agreement jointly signed by the applicant and the proposed recipient agreeing to the transfer of the assets; or
 - (c) the proposed recipient's signature on the application.
- (a) The letter is found in Attachment 1.

PART V: REQUEST FOR NO HEARING

- 5.1 Does the applicant request that the application be determined by the Board without a hearing? If yes, please provide:
- (a) an explanation as to how no person, other than the applicant or licence holder, will be adversely affected in a material way by the outcome of the proceeding; and
 - (b) the proposed recipient's written consent to dispose of the application without a hearing.
- (a) The line serving the park terminates at the customer's site. The transfer of ownership will have no effect on any other customers connected to the feeder. There will be no changes in the operation of the feeder, therefore no change in service to other customers or persons.
- (b) The letter is found in Attachment 1.

PART VI: OTHER INFORMATION

- 6.1 Please provide the Board with any other information that is relevant to the application. When providing this additional information, please have due regard to the Board's objectives in relation to electricity.

PART VII: CERTIFICATION AND ACKNOWLEDGMENT STATEMENT

7.1 Certification and Acknowledgment

I certify that the information contained in this application and in the documents provided are true and accurate.

Signature of Key Individual ORIGINAL SIGNED BY JOANNE RICHARDSON	Print Name of Key Individual Joanne Richardson	Title/Position Director – Major Projects and Partnerships
	Date October 24, 2017	Company Hydro One Networks Inc.

(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.)

ATTACHMENT 1 - Letters



July 13, 2017

John Benjamins
4838 Switzer Dr
Appin, ON
N0L 1A0

PLEASE SIGN & RETURN

Dear John Benjamins:

Re: Silver Dove Estates

This letter is to advise you of the progress that is being made regarding the sale of Hydro One assets in the Silver Dove Estates. Based on your response to our initial letter, you have elected to purchase all assets excluding meters.

Within the Silver Dove Estates there are 4 transformers and no other equipment with a net book value of \$848.86.

Please sign below indicating your intention to purchase the assets as noted above, and return to us in the self addressed envelope. Upon receipt of the signed letter, we will proceed to obtain approval from the Ontario Energy Board. Obtaining Ontario Energy Board (OEB) approval could take 12 – 20 weeks.

After official approvals have been obtained, Silver Dove Estates will proceed with the installation of their own load break switch and bring the electrical system within the park up to the Electrical Safety Inspection standards, if required, as noted by the report completed by ESA. Hydro One will install a primary metering unit, to meter the park.

Silver Dove Estates agrees to purchase all assets now owned by Hydro One, within the boundaries of the Silver Dove Estates for a total price of \$848.86 plus HST, which will be invoiced after the OEB have granted their approval.

Signature of Silver Dove Estates Representative

JOHN SIMON BENJAMINS
Name (please print)

Original signed by John Simon Benjamins

Signature

July 20th 2017
Date

Thank you for your co-operation in this matter.

Yours truly,

Original Signed by Elizabeth Hass

✓ Elizabeth Hass
Lines Customer Support Clerk
Beachville Field Business Centre

Enc Duplicate Copy of Letter
 Return Envelope



July 13, 2017

Hydro One Networks Inc.
Beachville Field Business Centre
56 Embro St, PO Box 130
Beachville, Ontario
N0J 1A0

PLEASE SIGN & RETURN

Re: Silver Dove Estates

It is our understanding that approval is required by the Ontario Energy Board (OEB) for the sale of assets by Hydro One. Silver Dove Estates fully supports Hydro One's actions with the Board to obtain approval of this minor transaction without a hearing.

We would like to expedite this process as ownership of the assets enables us to complete work on the campground.

Furthermore, no other party would be affected by this sale. Therefore, we would appreciate an approval of this transaction as soon as possible.

Thank you for your assistance in this matter.

JOHN SIMON BENJAMINS
Name (Owner)

Original signed by John Simon Benjamins

Signature

July 20/2017
Date

Sandra Benjamins
Name (Owner)

Original signed by Sandra Benjamins

Signature

July 20/2017
Date

Silver Dove Estates
4838 Switzer Dr
Appin, ON
N0L 1A0

ATTACHMENT 2 - Map

