

Zoë Thoms

Regulatory Counsel, Regulatory Law
Toronto Hydro-Electric System Limited
14 Carlton Street
Toronto, ON M5B 1K5

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www.torontohydro.com



January 9, 2018

via RESS e-filing
via courier - signed original

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Toronto Hydro-Electric System Limited ("THESL")
Application under Section 86(1)(b) of the *Ontario Energy Board Act, 1998*

THESL seeks the Board's approval under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act"), for leave to sell certain assets to the Toronto Transit Commission. Given that the proposed transaction has no material effect on any other party, the parties request that the Board dispose of this proceeding without a hearing under section 21(4)(b) of the Act.

Enclosed are two copies of the completed Application Form. An electronic copy has been submitted using the Board's Regulatory Electronic Submission System.

Please direct all correspondence regarding this matter to my attention at
regulatoryaffairs@torontohydro.com.

Do not hesitate to contact me should you have any questions.

Yours truly,

A handwritten signature in blue ink that reads "Z. Thoms".

Zoë Thoms

Regulatory Counsel, Regulatory Law
Toronto Hydro-Electric System Limited
regulatoryaffairs@torontohydro.com

ZT

cc: Daliana Coban, Manager, Regulatory Law, THESL

Encls.

Ontario Energy
Board
P.O. Box 2319
2300 Yonge Street
27th Floor
Toronto ON M4P 1E4
Telephone: 1-888-632-6273
Facsimile: (416) 440-7656

Commission de l'énergie
l'Ontario
C.P. 2319
2300, rue Yonge
27^e étage
Toronto ON M4P 1E4
Téléphone: 1-888-632-6273
Télécopieur: (416) 440-7656



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

For Office Use Only	
Application Number	EB -
Date Received	

PART I : IDENTIFICATION OF PARTIES

1.1 Name of Applicant

Legal name of the applicant: Toronto Hydro-Electric System Limited ("THESL")

Name of Primary Contact:

Mr. <input checked="" type="radio"/>	Mrs. <input type="radio"/>	Last Name	First Name	Initial
Miss <input type="radio"/>	Ms. <input type="radio"/>	Priore	Dino	
Other <input type="radio"/>		Title/Position		
		Executive Vice-President and Chief Engineering and Construction Officer		

Address of Head Office:

City	Province/State	Country	Postal/Zip Code
Toronto	Ontario	Canada	M5B 1K5
Phone Number	Fax Number	E-mail Address	
416-542-2709		regulatoryaffairs@torontohydro.com	

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

Name of the other party: Toronto Transit Commission ("TTC")

Name of Primary Contact:

Mr. <input checked="" type="radio"/>	Mrs. <input type="radio"/>	Last Name	First Name	Initial
Miss <input type="radio"/>	Ms. <input type="radio"/>	Harper	Craig	
Other <input type="radio"/>		Title/Position		
		Head - Subway Infrastructure Department, Operations Group		

Address of Head Office:

City	Province/State	Country	Postal/Zip Code
Toronto	Ontario	Canada	M4S 1Z2
Phone Number	Fax Number	E-mail Address	
416-393-4000		media@ttc.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

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 assets included in the proposed transaction are used solely and exclusively for the purposes of delivering nominal 600 volt direct current electricity to the TTC for operation of their subway trains, streetcars, and other public transit infrastructure. These assets include transformers, rectifiers, switchgears, breakers, protective devices and other supporting ancillary systems that convert electric energy from 60 hertz alternating current at a potential of approximately 13,800 volts to direct current at nominal 600 volts. See Schedule 'A' of Attachment 1.

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.

These assets are located at four THESL-owned locations within THESL's service area:

1) Carlaw TS - 369 Carlaw Ave, Toronto, ON

3) Danforth MS - 2357 Danforth Ave, Toronto, ON

2) Ossington MS - 137 Winona Drive, Toronto, ON

4) Duncan MS - 25-29 Nelson Street, Toronto, ON

See Attachment 2, Map of Assets to be Transferred

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.

These assets were installed in accordance with a legacy agreement between THESL and TTC. The assets have always been surplus to THESL and THESL has used these assets for the sole purpose of supplying the TTC.

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 assets are useful to the TTC for the operation of its subway trains, streetcars, and other public transit infrastructure. Otherwise the location and nature of the energy supplied by these assets makes them unusable for most other purposes. 600 volt direct current energy has few uses beyond supplying transit infrastructure.

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

The TTC is the sole utility customer served by the assets included in the transaction. The assets deliver energy in a form not requested by other customers.

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

The TTC will continue to be served by the assets following the transaction and into the foreseeable future. Due to the unique location and function of the assets (detailed in sections 2.3 and 2.4) the assets will only ever be used to service the TTC or its successor organizations in operating Toronto's public transit system. THESL will continue to supply electricity to the TTC.

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.

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 letter from the proposed recipient consenting to the transfer of the assets;
 - a letter or proposed sale agreement jointly signed by the applicant and the proposed recipient agreeing to the transfer of the assets; or
 - the proposed recipient's signature on the application.

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:
- 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
 - the proposed recipient's written consent to dispose of the application without a hearing.

The Applicant and the Recipient jointly request that this application be determined by the Board without a hearing. The Recipient has provided written consent to this effect (see attached letter of consent, Attachment 1). As the Recipient is the only person served by the Assets, their transfer will affect no person other than the Applicant and Recipient, upon whom it will have no adverse effect.

PART VI: OTHER INFORMATION

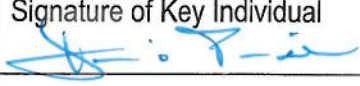
- 6.1 Please provide the Board with any other information that is relevant to the application. When providing this additional information, please have due regard to the Board's objectives in relation to electricity.

See Attachment 3

PART VII : CERTIFICATION AND ACKNOWLEDGMENT

7.1 Certification and Acknowledgment

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

Signature of Key Individual 	Print Name of Key Individual Dino Priore	Title/Position EVP & Chief Eng & Const Off
	Date <u>Jan 9, 2017</u>	Company THESL

(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:

**Letter from Toronto Transit Commission
Consenting to Transfer of the Assets**



Toronto Transit Commission
1900 Yonge Street, Toronto, ON M4S 1Z2
416-393-4000

December 20, 2017

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

Attention: **Board Secretary**

Dear Sir/Madam:

Re: Application by Toronto Hydro for Leave to Sell Distribution Assets Under Section 86(1)(b) of the Ontario Energy Board Act

Toronto Transit Commission ("TTC") is the proposed recipient of the distribution assets that are the subject of the application filed by Toronto Hydro-Electric System Limited ("Toronto Hydro") under Section 86(1)(b) of the Ontario Energy Board Act, 1998 (the "Application").

Pursuant to Section 4.1 of the Application, the TTC consents to the transfer from Toronto Hydro to the TTC of those assets that are subject of the Application, as are more particularly set out in **Schedule 'A'** to this letter (the "Assets"). The TTC consents to the transfer of the Assets for the nominal sum of \$10 (inclusive of taxes) representing the current net book value of the Assets less capital contributions previously provided by the TTC.

Furthermore, pursuant to Section 5.1 of the Application, the TTC consents to the Ontario Energy Board disposing of the Application without a hearing.

Sincerely,

Craig Harper, P.Eng.
Head – Subway Infrastructure Department

6-196

Attachment: Schedule 'A' – Distribution Assets To be Transferred

cc: Toronto Hydro

Josh Cotte, Chair
Alan Hersey, Q.C., Vice-Chair
Andy Byford, Chief Executive Officer
Rick Byers, Commissioner

John Campbell, Commissioner
Vincent Crisanti, Commissioner
Glenn De Baeremaeker, Commissioner
Joanne De Laurentis, Commissioner

Mary Fragedakis, Commissioner
Ron Lalonde, Commissioner
Joe Mihevo, Commissioner
Denzil Minnan-Wong, Commissioner



SCHEDULE 'A' – DISTRIBUTION ASSETS TO BE TRANSFERRED

Duncan MS Asset List:

<u>Asset ID</u>	<u>Asset Type</u>	<u>Quantity</u>	<u>Year</u>	<u>Asset Description</u>
A1SG	Switchgear	1	1998	13.8 kV, 1200A, 8-Position Metalclad Switchgear
	Circuit Breaker	6	1998	1200A Vacuum Circuit Breaker
AUTOTR1	Transformer	1	1984	1686kVA, 13800-12500V, Autotransformer
AUTOTR2	Transformer	1	1984	1686kVA, 13800-12500V, Autotransformer
AUTOTR3	Transformer	1	1984	1686kVA, 13800-12500V, Autotransformer
AUTOTR4	Transformer	1	1984	1686kVA, 13800-12500V, Autotransformer
RECTTR1	Transformer	1	1952	3/6 Phase, 1250kW, 13200-549V, Rectifier Transformer
RECTTR2	Transformer	1	1952	3/6 Phase, 1250kW, 13200-549V, Rectifier Transformer
RECTTR3	Transformer	1	1952	3/6 Phase, 1250kW, 13200-549V, Rectifier Transformer
RECTTR4	Transformer	1	1952	3/6 Phase, 1250kW, 13200-549V, Rectifier Transformer
RECT1	Rectifier	1	1984	1250kW, 570VDC, Wye-Wye, 6 Phase Rectifier
RECT2	Rectifier	1	1984	1250kW, 570VDC, Wye-Wye, 6 Phase Rectifier
RECT3	Rectifier	1	1984	1250kW, 570VDC, Wye-Wye, 6 Phase Rectifier
RECT4	Rectifier	1	1984	1250kW, 570VDC, Wye-Wye, 6 Phase Rectifier
H1-2SG	Switchgear	1	1952	600VDC, 12-Position Switchgear (Positive Bus)
	Circuit Breaker	3	2005	3600A DC Circuit Breaker (Sécheron UR36-81)
	Circuit Breaker	1	2013	3600A DC Circuit Breaker (Sécheron UR36-81)
	Circuit Breaker	4	2014	3600A DC Circuit Breaker (Sécheron UR36-81)
	Circuit Breaker	4	2015	3600A DC Circuit Breaker (Sécheron UR36-81)
H1-4SG	Switchgear	1	1952	600VDC, 7-Position Switchgear (Positive Bus)
	Circuit Breaker	3	2005	3600A DC Circuit Breaker (Sécheron UR36-81)
	Circuit Breaker	4	2014	3600A DC Circuit Breaker (Sécheron UR36-81)
H3SG	Switchgear	1	1952	600VDC, 18-Position Switchgear (Negative Bus)



Ossington MS Asset List:

<u>Asset ID</u>	<u>Asset Type</u>	<u>Quantity</u>	<u>Year</u>	<u>Asset Description</u>
A1SG	Switchgear	1	1955	13.8kV, 4-Position Brick Switchgear Structure
	Circuit Breaker	4	1955	1000A Brown Boveri, DB-20M-600 Air Blast Circuit Breaker
	Air Compressor	1	1988	5.5hp, Air Compressor (supplying air blast breakers)
	Air Compressor	1	1988	5.5hp, Air Compressor (supplying air blast breakers)
AUTOTR1	Transformer	1	1984	1686kVA, 13800-12500V, Autotransformer
AUTOTR2	Transformer	1	1984	1686kVA, 13800-12500V, Autotransformer
RECTTR1	Transformer	1	1952	3/6 Phase, 1250kW, Class 'C', Rectifier Transformer
RECTTR2	Transformer	1	1952	3/6 Phase, 1250kW, Class 'C', Rectifier Transformer
RECT1	Rectifier	1	1984	1250kW, 570VDC, Wye-Wye, 6 Phase Rectifier
RECT2	Rectifier	1	1984	1250kW, 570VDC, Wye-Wye, 6 Phase Rectifier
H1-H2SG	Switchgear	1	1955	600V DC, 2000A, 8-Position DC Switchgear (Positive Bus)
	Circuit Breaker	3	1955	2000A DC Circuit Breaker (ITE Type MT)
	Circuit Breaker	3	2007	3600A DC Circuit Breaker (Sécheron UR36-81)
	Circuit Breaker	2	2017	3600A DC Circuit Breaker (Sécheron UR36-81)
H3SG	Switchgear	1	1955	600V DC, 2000A, 8-Position DC Switchgear (Negative Bus)

Carlaw TS Asset List:

<u>Asset ID</u>	<u>Asset Type</u>	<u>Quantity</u>	<u>Year</u>	<u>Asset Description</u>
AUTOTR1	Transformer	1	1984	1686kVA, 13800-12500V, Autotransformer
RECTTR1	Transformer	1	1952	3/6 Phase, 1250kW, 13200-549V, Rectifier Transformer
RECTTR2	Transformer	1	2007	3/6 Phase, 1400kVA, 13800-520V Rectifier Transformer
RECT1	Rectifier	1	1984	1250kW, 570VDC, Wye-Wye, 6 Phase Rectifier
RECT2	Rectifier	1	1984	1250kW, 570VDC, Wye-Wye, 6 Phase Rectifier
H1-2SG	Switchgear	1	1956	600VDC, 11-Position Switchgear (Positive Bus)
	Circuit Breaker	3	2006	3600A DC Circuit Breaker (Sécheron UR36-81)
	Circuit Breaker	4	2016	3600A DC Circuit Breaker (Sécheron UR36-81)
	Circuit Breaker	1	2017	3600A DC Circuit Breaker (Sécheron UR36-81)
H3SG	Switchgear	1	1956	600VDC, 9-Position Switchgear (Negative Bus)



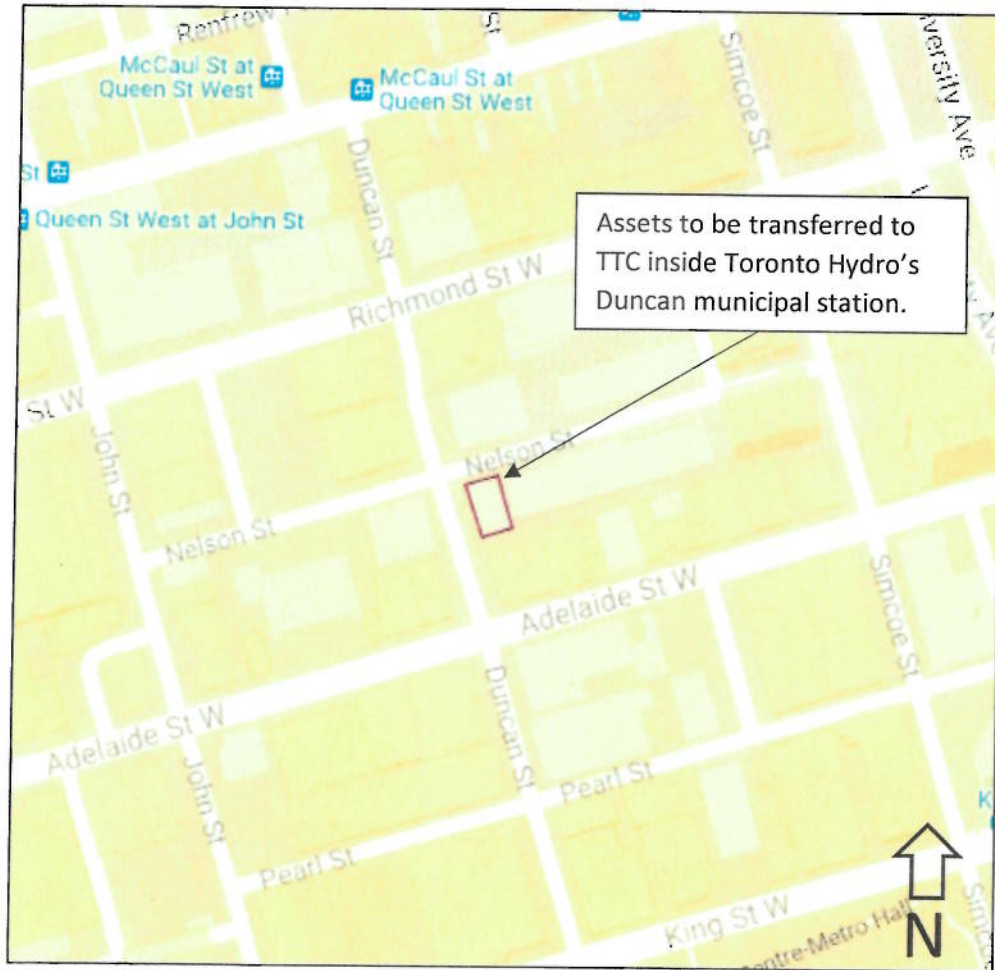
Danforth MS Asset List:

<u>Asset ID</u>	<u>Asset Type</u>	<u>Quantity</u>	<u>Year</u>	<u>Asset Description</u>
AUTOTR1	Transformer	1	1984	1686kVA, 13800-12500V, Autotransformer
AUTOTR2	Transformer	1	1984	1686kVA, 13800-12500V, Autotransformer
RECTTR1	Transformer	1	1953	3/6 Phase, 1250kW, Class 'C', Rectifier Transformer
RECTTR2	Transformer	1	1953	3/6 Phase, 1250kW, Class 'C', Rectifier Transformer
RECT1	Rectifier	1	1984	1250kW, 570VDC, Wye-Wye, 6 Phase Rectifier
RECT2	Rectifier	1	1984	1250kW, 570VDC, Wye-Wye, 6 Phase Rectifier
H1-2SG	Switchgear	1	1953	600V DC, 4000A, 12-Position DC Switchgear (Positive Bus)
	Circuit Breaker	6	2005	3600A DC Circuit Breaker (Sécheron Type EH)
	Circuit Breaker	2	2005	3600A DC Circuit Breaker (Sécheron Type MH)
H3SG	Switchgear	1	1953	600V DC, 16-Position DC Switchgear (Negative Bus)

Attachment 2:

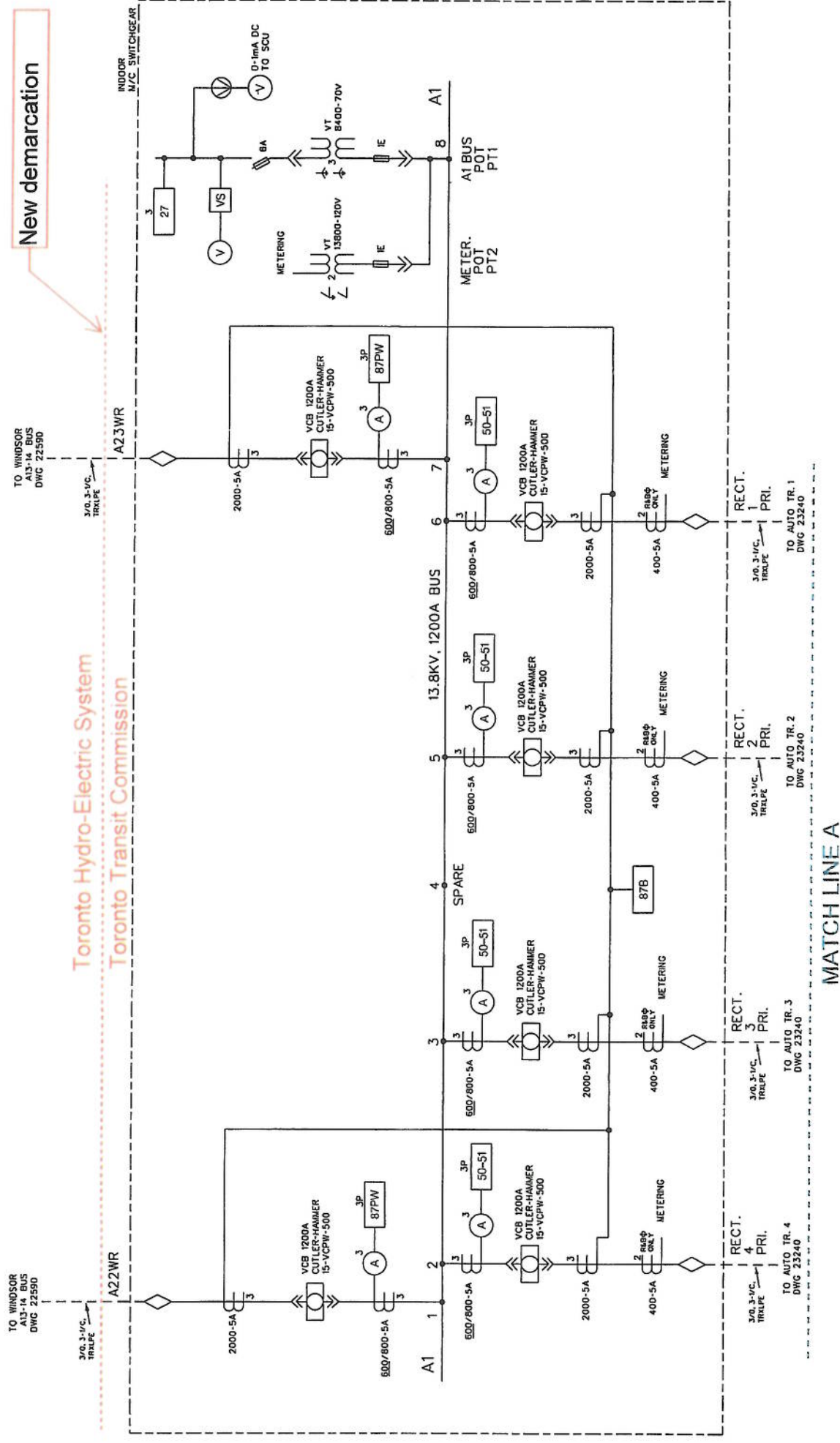
Maps of Assets to be Transferred

Duncan MS Area Map



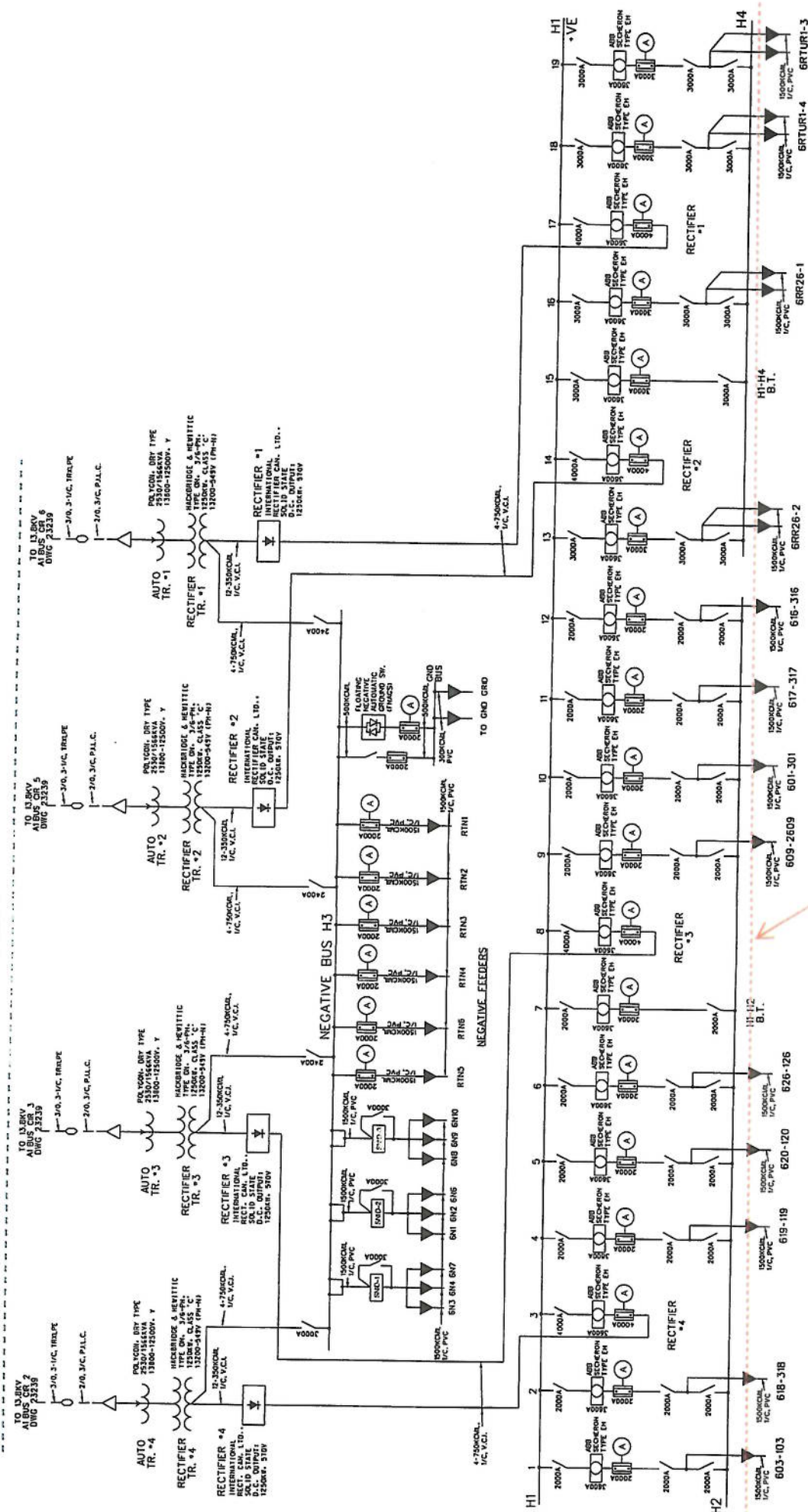
29 Nelson Street, Toronto, ON

Duncan MS (TTC Supply) Single Line Diagram (1 of 2)



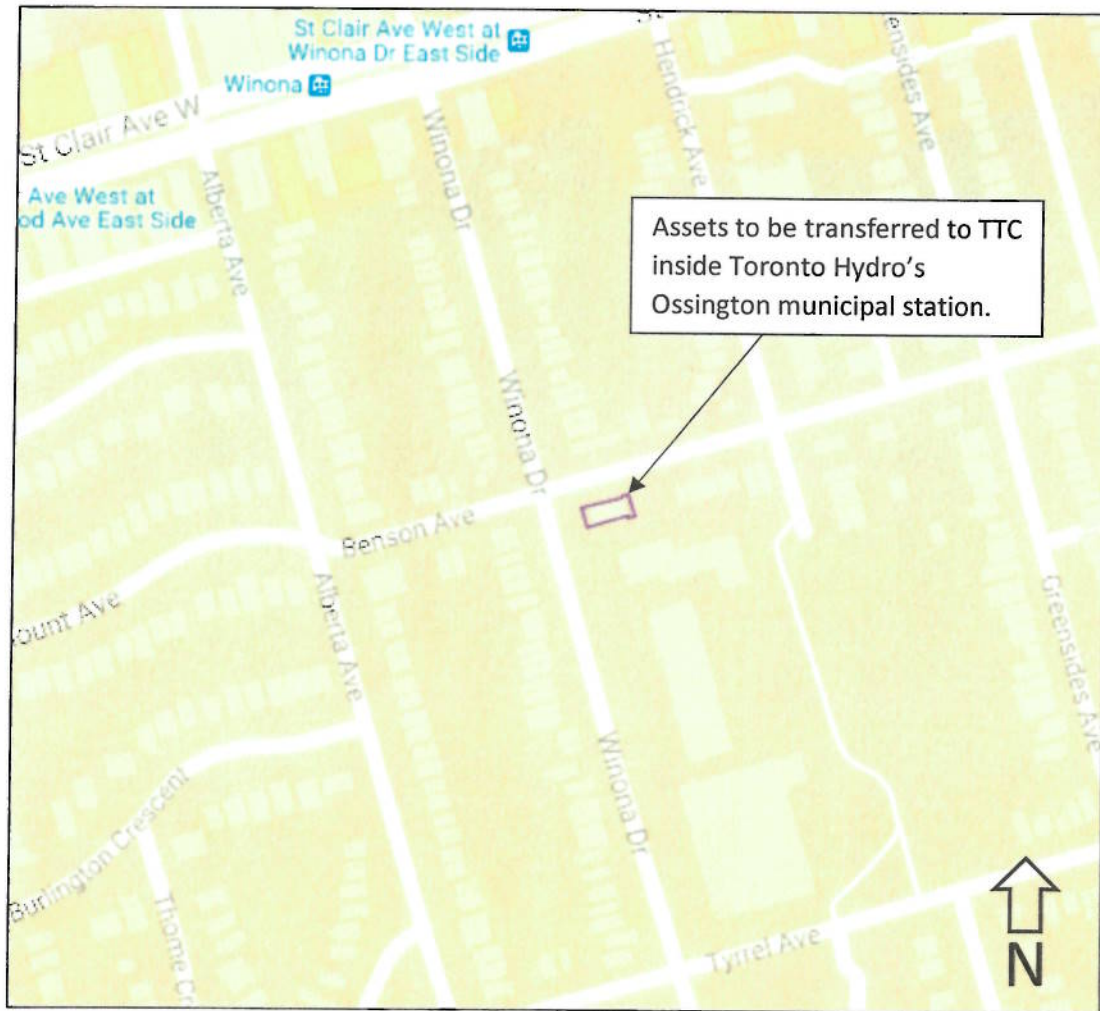
Duncan MS
29 Nelson Drive

Duncan MS
29 Nelson Drive



Existing demarcation

Ossington MS Area Map



37 Winona Drive, Toronto, ON

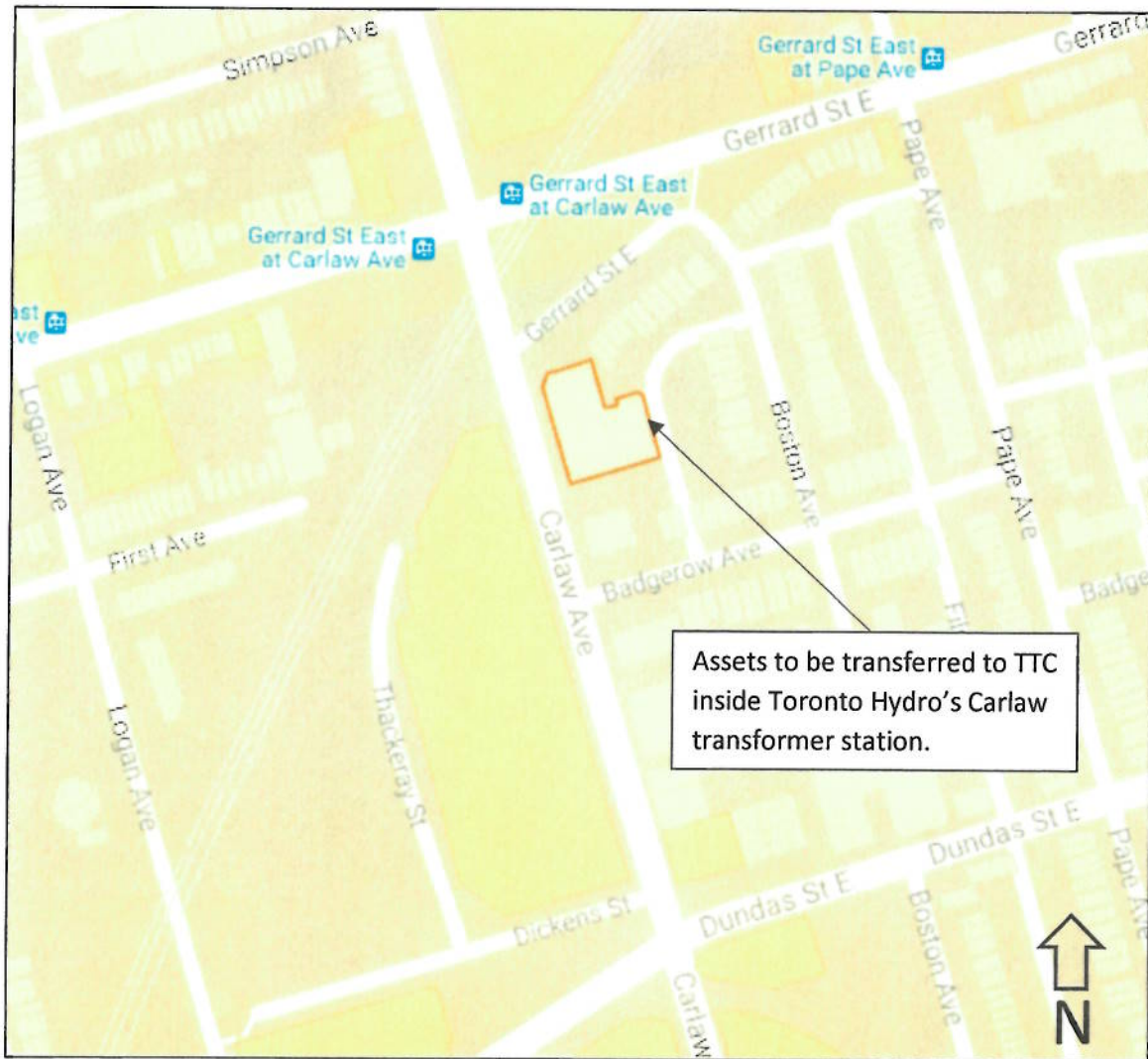
Toronto Hydro-Electric System

Toronto Transit Commission



Ossington MS
137 Winona Drive

Carlaw TS Area Map



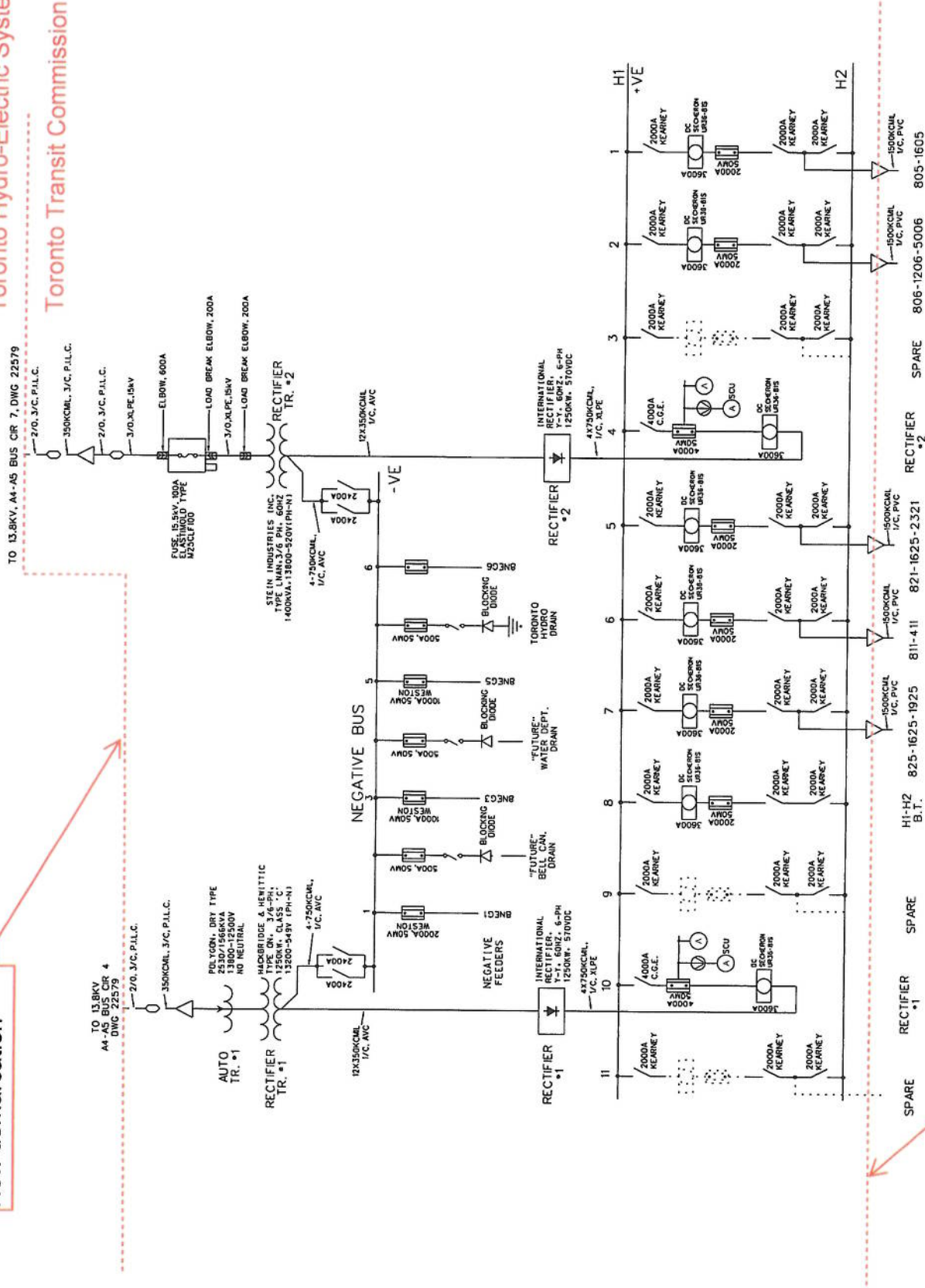
369 Carlaw Avenue, Toronto, ON

Carlaw TS (TTC Supply) Single Line Diagram

New demarcation

Toronto Hydro-Electric System

Toronto Transit Commission



Existing demarcation

Carlaw TS
369 Carlaw Avenue

Danforth MS Area Map



2357 Danforth Avenue, Toronto, ON

New demarcation

Toronto Transit Commission



Danforth MS
2357 Danforth

Attachment 3:

Part VI: Other Information

The Toronto Transit Commission ("TTC") has requested ownership of the assets that are the subject of this application so that the TTC can more efficiently manage its transit operations and have increased control over the equipment's maintenance and capital planning processes.

THESL is agreeable to this transfer. The assets are highly specialized and unique equipment within THESL's distribution system. No other customers are served by the assets. The TTC owns other equipment of this nature and is better positioned to manage these assets efficiently by utilizing internal TTC operations and maintenance crews who have significant experience with, and expertise in, DC electrical systems.

Consideration for the transaction is a nominal sum (i.e. \$10 inclusive of taxes), representing the current net book value of the assets less capital contributions previously provided by the TTC, totalling \$0.