



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

DECISION AND ORDER

EB-2017-0361

TORONTO HYDRO-ELECTRIC SYSTEM LIMITED

**Application for leave to sell distribution assets to The
International Group Inc.**

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

January 25, 2018

DECISION AND ORDER

Toronto Hydro-Electric System Limited (THESL) filed an application with the Ontario Energy Board (OEB) on December 5, 2017 under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (OEB Act), for an order granting THESL leave to sell a distribution system asset to The International Group Inc.(IGI). The asset that is the subject of the proposed transaction is one power transformer located at 50 Salome Drive, Toronto, Ontario.

The application is considered without a hearing pursuant to section 6(4) of the OEB Act.

FINDINGS

Section 86(1)(b) of the OEB Act provides that leave of the OEB is required before a transmitter or a distributor can “sell, lease or otherwise dispose of that part of its transmission or distribution system that is necessary in serving the public.” The asset that is the subject of this transaction is necessary in serving the public, specifically IGI, a customer of THESL.

The IGI Customer-Owned Substation (COS) has a legacy configuration where two transformers, one owned by IGI and the other owned by THESL (the subject of the asset sale), feed the same location from the same supply feeder. IGI intends to reconfigure its COS by installing new switchgear connecting the transformers in order to accommodate a proposed IGI owned generation project. IGI made a request to THESL to purchase the asset.

The asset will continue to be used to supply electrical load to IGI. The applicant stated that the transaction will not adversely affect the safety, reliability, quality of service, operational flexibility or economic efficiency of THESL. The applicant also stated that there will be no impact on THESL’s distribution rates as a result of the asset sale.

The parties to the transaction agreed that the asset is being sold for \$40,490.58 plus HST which represents the asset’s net book value.

The OEB finds that the proposed transaction is reasonable and is not anticipated to have any negative effects. It is therefore in the public interest to grant THESL leave to sell the asset described above to IGI.

IT IS ORDERED THAT:

1. Toronto Hydro-Electric System Limited is granted leave to sell one power transformer located at 50 Salome Drive, Toronto, Ontario to The International Group Inc.

DATED at Toronto January 25, 2018

ONTARIO ENERGY BOARD

Original signed by

Brian Hewson
Vice President, Consumer Protection & Industry Performance