



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

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## **DECISION AND ORDER**

**EB-2018-0112**

**HYDRO ONE NETWORKS INC.**

**KITCHENER-WILMOT HYDRO INC.**

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

**BY DELEGATION, BEFORE: Brian Hewson**

Vice President

Consumer Protection & Industry Performance

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**March 29, 2018**

## INTRODUCTION AND SUMMARY

Hydro One Networks Inc. (Hydro One) and Kitchener-Wilmot Hydro Inc. (Kitchener-Wilmot) have jointly applied to the Ontario Energy Board (OEB) to amend their respective licensed service areas such that one remaining load transfer arrangement between the two distributors is eliminated. A load transfer arrangement is a situation in which a customer located in the licensed service area of one distributor (geographic distributor) is physically served by another distributor (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* (OEB Act).

## THE APPLICATION

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 amendment and asset transfer, Hydro One and Kitchener-Wilmot (collectively, Applicants) filed a joint application with the OEB on June 12, 2017 under sections 74 and 86(1)(b) of the OEB Act. The purpose of the application was to eliminate load transfer arrangements between the two distributors. The OEB assigned file number EB-2017-0233 to that application and, on June 29, 2017, the OEB issued its Decision and Order approving the proposed service area amendments and sale of assets.

On February 26, 2018, the Applicants filed a second joint application with the OEB and requested further amendments to each of their respective licensed service areas, due to the recent identification of one residential customer that was not included in the EB-2017-0233 application. Hydro One also requested the OEB's approval to sell certain distribution assets to Kitchener-Wilmot for \$ 416.00 plus applicable taxes. The assets are used to serve the customer moving from Hydro One to Kitchener-Wilmot.

## 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

arrangement between the two distributors. Kitchener-Wilmot's licence will be amended to reflect the proposed transfer of the affected customer. Hydro One's licence is not required to be amended given the manner in which Schedule 1 of Hydro One's licence is presented.

The customer being transferred from Hydro One to Kitchener-Wilmot will see a reduction in its monthly delivery charges and, therefore, no credits are required for this customer.

Hydro One and Kitchener-Wilmot are reminded that both distributors shall ensure that all relevant customer information including, but not limited to, information regarding security deposit and consumption is properly transferred to the physical distributor to allow for the continuous billing of customer and the continuous application of Ontario Electricity Support Program (OESP) rate assistance to the bills of customer, if applicable.

**IT IS ORDERED THAT:**

1. Schedule 1 of Kitchener-Wilmot Hydro Inc.'s Electricity Distribution Licence ED-2002-0573 is amended. The amended licence is attached to this Decision and Order.
2. Hydro One Networks Inc. is granted leave to sell distribution system assets as listed in Schedule A (Table 1) to Kitchener-Wilmot Hydro Inc.

**DATED** at Toronto March 29, 2018

**ONTARIO ENERGY BOARD**

*Original Signed By*

Brian Hewson  
Vice President, Consumer Protection & Industry Performance

**SCHEDULE A**

The assets being transferred between Hydro One and Kitchener-Wilmot are listed below:

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

Asset Type	Count
Poles (30-foot)	1
Transformers (25 kVA)	1
Secondary O/H Wire (m)	20
Secondary U/G Wire (m)	63
<b>Total (\$) before applicable taxes</b>	<b>\$416.00</b>