

Hydro One Networks Inc.

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Joanne Richardson

Director – Major Projects and Partnerships
Regulatory Affairs

BY COURIER

April 19, 2018

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

Dear Ms. Walli:

**Load Transfer Elimination Application – A Service Area Amendment & Asset Sale Application
Between Hydro One Networks Inc. and Innpower Corporation**

In accordance with the Distribution System Code amendments of December 21, 2015, Hydro One Networks Inc. and Innpower Corporation are jointly applying to the Ontario Energy Board (“Board”) for approval to amend the service areas of both distributors such that existing load transfer arrangements between the two LDCs are eliminated.

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

Attachment
cc. Glen McAllister



Ontario Energy Board

**Elimination of Load Transfer Arrangements
Between
Hydro One Networks Inc. and
Innpower Corporation**

**Combined Service Area Amendment and Asset
Transfer Application**

April 19, 2018

PART I: SERVICE AREA AMENDMENT

1.1 Basic Facts

As a result of the Distribution System Code amendments of December 21, 2015, EB-2015-0006, Hydro One Networks Inc. (“Hydro One”) and Innpower Corporation (“Innpower”) are jointly applying to the Ontario Energy Board (“OEB”) for approval to amend the service areas of both distributors such that existing load transfer arrangements between the two LDCs are eliminated.

This application is being filed as a follow up to a previous application that was filed and approved by the OEB (EB-2017-0207). Since then, Hydro One and Innpower have identified that there was one customer that was not identified in the original application, and are jointly submitting this application to make the correction.

1.2 Identification of the Parties

1.2.1 Applicant

(Identify whether the applicant is a geographic and/or physical distributor)

Name of Applicant Hydro One Networks Inc.	Licence Number ED-2003-0043
Address 483 Bay Street, 7 th Floor, South Tower Toronto, ON M5G 2P5	Telephone Number 416-345-5405
	Facsimile Number 416-345-5866
	E-mail Address: Regulatory@HydroOne.com
Contact Person Pasquale Catalano Regulatory Analyst	Telephone Number As listed above.
	Facsimile Number As listed above.
	E-mail Address: Pasquale.Catalano@HydroOne.com

1.2.2 Co-Applicant or Other Distributor to the Service Area Amendment Application

Name of Co-Applicant or Other Distributor Innpower Corporation	Licence Number ED-2002-0520
Address: 7251 Yonge Street Innisfil, Ontario L9S 0J3	Telephone Number 705-431-4321
	Facsimile Number 705-431-6872
	E-mail Address: Regulatoryaffairs@innpower.ca
Contact Person: Brenda L Pinke Regulatory Conservation Manager	Telephone Number 705-431-6870 Ext 262
	Facsimile Number 705-731-6872
	E-mail Address brendap@innpower.ca

1.3 Description of Proposed Service Area

1.3.1	<p>Provide a detailed service area description of the area(s) that is subject to the SAA and how the amendments should be reflected in Schedule 1 of the licence(s) of the distributor(s).</p> <p>The proposed amendment is premise specific. Once this application is approved, Innpower’s licence will include 7550 County Road 27, and the premise will be removed from Hydro One’s licence.</p> <p>No changes to Hydro One’s licence are required.</p> <p>Once the application is approved, the wording italicized below will be added to Innpower’s licence:</p> <p>SCHEDULE 1 - Definition of Distribution Service Area</p> <p>This schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with paragraph 8.1 of this Licence.</p> <ol style="list-style-type: none"> 1. The Town of Innisfil as of January 1, 1994. 2. The west side of Highway 27 along the western border of the Town of Innisfil boundaries as of January 1, 1994. Civic addresses included on the west side of Highway 27 are as follows, 5202, 5270, 5332, 5362, 5380, 5516, 5660, 5668, 5678, 5694, 5824, 5866, 5992, 6056, 6506 A, 6066, 6124, 6212, 6264, 6388, 6396, 6482, 6528, 7040, 7050, 7060, 7072, 7082, 7092, 7122, 7132, 7144, 7152, 7188, 7198, 7332, 7428, 7510, 7540, 7544, 7546, 7550, 7558, 7672, 7676, 7680, 7716, 7722, 7738, 7752 and 7816 Highway 27, Innisfil.
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1.3.2	<p>Provide maps or diagrams of the area(s) that is the subject of the SAA application.</p> <p>Please see Attachment 2.</p>
1.3.3	<p>Provide a description of the type of physical connection(s); i.e., individual customer; residential subdivision, commercial or industrial customer.</p> <p>One residential customer is proposed to be transferred from Hydro One to Innpower.</p>

1.4 Information on Affected Load Transfer Customers

1.4.1	<p>Provide a total number of load transfer arrangements between distributors.</p> <p>EB-2017-0207 and section 1.3.3 address the majority of existing load transfer arrangements between the two distributors. Given that Innpower is an embedded LDC, there may be some load transfer arrangements that are not being addressed by this application.</p>
1.4.2	<p>Provide a number of load transfers eliminated in this application.</p> <p>Please see 1.3.3.</p>
1.4.3	<p>Provide a number of customers to be transferred from Hydro One to Innpower</p> <p>Please see 1.3.3.</p>
1.4.4	<p>Provide a number of customers to be transferred from Innpower to Hydro One.</p> <p>There are no customers to be transferred from Innpower to Hydro One.</p>
1.4.5	<p>Provide a list of affected load transfer customers. (Customer listing must include customer address, name, billing address, rate class and meter number)</p> <p>Please see Attachment 1.</p>
1.4.6	<p>Provide written confirmation that all affected persons have been provided with specific and factual information about the service area amendments.</p> <p>A letter informing the customer of the proposed amendment was sent by Hydro One on February 27th, 2018.</p>

1.5. Impacts Arising from the Amendment(s)

<p>1.5.1</p>	<p>Use the table below to describe the impact on the average residential customers' total bill that arises as a result of the service area amendment(s) before and after rate mitigation is applied. Use delivery charge on consumer's bill (including cost of losses and excluding all rate riders). Use 750 kWh / month for the average residential consumer. Provide any additional information as required.</p> <p>As shown in Table 1, a residential customer at the typical consumption levels moving from Hydro One to InnPower will see a reduction in their monthly delivery charges. Similarly, there is a reduction in the delivery charges for the residential customer being transferred. As such, no credits are required for this customer. Please note that the calculations below are based on an interim rate order for InnPower dated December 21, 2016 (EB-2016-0085). Once InnPower receives its final rate order for 2017 rates (effective July 1, 2017), the bill impacts will be recalculated accordingly.</p> <p style="text-align: center;">Table 1: Bill Impacts at Typical Consumption Levels for Customers Moving from Hydro One Networks (Rates effective January 1, 2017) to InnPower Corporation (Rates effective January 1, 2016)</p> <table border="1" data-bbox="305 856 1421 1094"> <thead> <tr> <th rowspan="2">Monthly Consumption (kWh)</th> <th colspan="4">Hydro One Networks</th> <th colspan="4">InnPower Corporation</th> <th rowspan="2">Average Monthly Delivery Impact on Total Bill (\$)</th> </tr> <tr> <th>Rate Class</th> <th>Fixed Charge (\$)</th> <th>Variable Charge (\$/kWh or \$/kW)</th> <th>Delivery Charge (\$)**</th> <th>Rate Class</th> <th>Fixed Charge (\$)</th> <th>Variable Charge (\$/kWh or \$/kW)*</th> <th>Delivery Charge (\$)**</th> </tr> </thead> <tbody> <tr> <td>750</td> <td>R2</td> <td>19.83</td> <td>0.0374</td> <td>52.25</td> <td>RES</td> <td>24.85</td> <td>0.0161</td> <td>49.34</td> <td>(2.91)</td> </tr> </tbody> </table> <p>* Includes low voltage charge ** Includes RTSR charges, cost of losses and Fair Hydro Plan Distribution Rate Protection where applicable</p>	Monthly Consumption (kWh)	Hydro One Networks				InnPower Corporation				Average Monthly Delivery Impact on Total Bill (\$)	Rate Class	Fixed Charge (\$)	Variable Charge (\$/kWh or \$/kW)	Delivery Charge (\$)**	Rate Class	Fixed Charge (\$)	Variable Charge (\$/kWh or \$/kW)*	Delivery Charge (\$)**	750	R2	19.83	0.0374	52.25	RES	24.85	0.0161	49.34	(2.91)
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750	R2	19.83	0.0374	52.25	RES	24.85	0.0161	49.34	(2.91)																				
<p>1.5.2</p>	<p>Provide a description of any assets which may be stranded or become redundant after completion of the service area amendment(s). Please explain why these assets could not be transferred to the physical distributor. No assets will be stranded as a result of this application.</p>																												
<p>1.5.3</p>	<p>Identify costs for stranded equipment that would need to be de-energized or removed. N/A – please see 1.5.2.</p>																												
<p>1.5.4</p>	<p>Identify any assets that will be transferred to and/or from the applicant(s). If an asset transfer is required, please complete Part II of the application form. Please see Part 2.</p>																												
<p>1.5.5</p>	<p>Include an estimate of the credit required for each customer to ensure there is not a negative impact on the total bill. There are no credits required as none of the customers being transferred will be negatively impacted.</p>																												

PART II: TRANSFER OF ASSETS (S. 86(1)(b))

2.1 Description of the Assets to Be Transferred

2.1.1	<p>Provide a description of the assets that are the subject of the transaction. (Attach a detailed list of assets to be sold including value of assets) See Attachment 1.</p>
2.1.2	<p>Indicate where the assets are located – whether in the applicant’s service territory or in the recipient’s service territory (if applicable). Please include a map of the location. The assets are located within the territory that will be transferred from the geographical distributor to the physical distributor upon approval of the application. Please see Attachment 2 for maps indicating the location of the assets.</p>
2.1.3	<p>Indicate which distributor’s customers are currently served by the assets. Currently the assets are being used to service the geographical distributor’s customer. Once the application is approved, the assets will continue to service the same customer they currently service. The customer will be transferred from the geographical distributor to the physical distributor.</p>

2.2 Description of the Sale Transaction

2.2.1	<p>The value of the assets to be transferred shall be determined based on net book value (NBV). Attach the details of the associated cash consideration to be given and received by each of the parties to the transaction. Once approved, Hydro One will sell the assets servicing the current Hydro One geographical customer to Innpower for \$5,518.00 plus applicable taxes. A detailed breakdown of the assets is included in Attachment 1.</p>
2.2.2	<p>Will the transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties? If yes, please specify how. There are no third parties that will be impacted by this sale.</p>

PART III: CERTIFICATION AND ACNOWLEDGEMENT

Applicant

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

Signature of Key Individual	Name and Title of Key Individual	Date
ORIGINAL SIGNED BY JOANNE RICHARDSON	Joanne Richardson Director - Major Projects and Partnerships, Regulatory Affairs	APRIL 19, 2018

(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.)

Co-Applicant (if applicable)

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

Signature of Key Individual	Name and Title of Key Individual	Date
ORIGINAL SIGNED BY GLEN MCALLISTER	Glen McAllister Interim CFO/Treasurer Innpower Corporation	APRIL 19, 2018

(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

Geographical Distributor (Hydro One) LTLT Customer and Asset Transfer Information

Geographical Distributor LTLT Customer and Asset Transfer Information

Map #	Primary Customer Name	Premise Address							Meter ID No.	Classification Figure #
		Number	Street	City	Postal Code	Lot	Concession	Township		
12		7550	COUNTY RD 27	ESSA	L9V 2J3			ESSA	J3590471	Fig.1

	Figure #1	Figure #2	Figure #3	Figure #4	Figure #5	Figure #6	Figure #7	Figure #8	Figure #9	Figure #10	Figure #11	Figure #12	Figure #13	Figure #14	Figure #15	Primary Wire Line	
Main Page	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
Special Case #1																	
Special Case #2																	
Special Case #3																	
Special Case #4																	
Special Case #5																	
Special Case #6																	
O/H	20	70	20	70		50		50		63		63					
U/G	63		63		63		63		63		63						
Primary									20	20			20		20		
Neutral									20	20			20		20		
Subtotal	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total O/H	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Total Secondary O/H (m)	20
Total U/G	63	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Total Secondary U/G (m)	63
Total Primary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Total Primary (m)	0
Toal Buss (m)	0																

POLES	30	35	40	45	50	55	Total
Main Page	1	0	0	0	0	0	1
Special Case #1							0
Special Case #2							0
Special Case #3							0
Special Case #4							0
Special Case #5							0
Special Case #6							0
TOTAL	1	0	0	0	0	0	1

Transformers	5	10	15	25	50	75	100	167	Total
Main Page	0	1	0	0	0	0	0	0	1
Special Case #1									0
Special Case #2									0
Special Case #3									0
Special Case #4									0
Special Case #5									0
Special Case #6									0
TOTAL	0	1	0	0	0	0	0	0	1
Sentinel Lights (Total)	0								0

ASSET SUMMARY









Poles	30	35	40	45	50	55	Total	
	1	0	0	0	0	0	1	
Transformers	5	10	15	25	50	75	100	167
	0	1	0	0	0	0	0	0
Primary Wire (metres)	0							
Secondary O/H Wire (Metres)	20							
Secondary U/G Wire (Metres)	63							
Current Transformers	0							
Sentinel Lights	0							
Easements	0							

Attachment 2

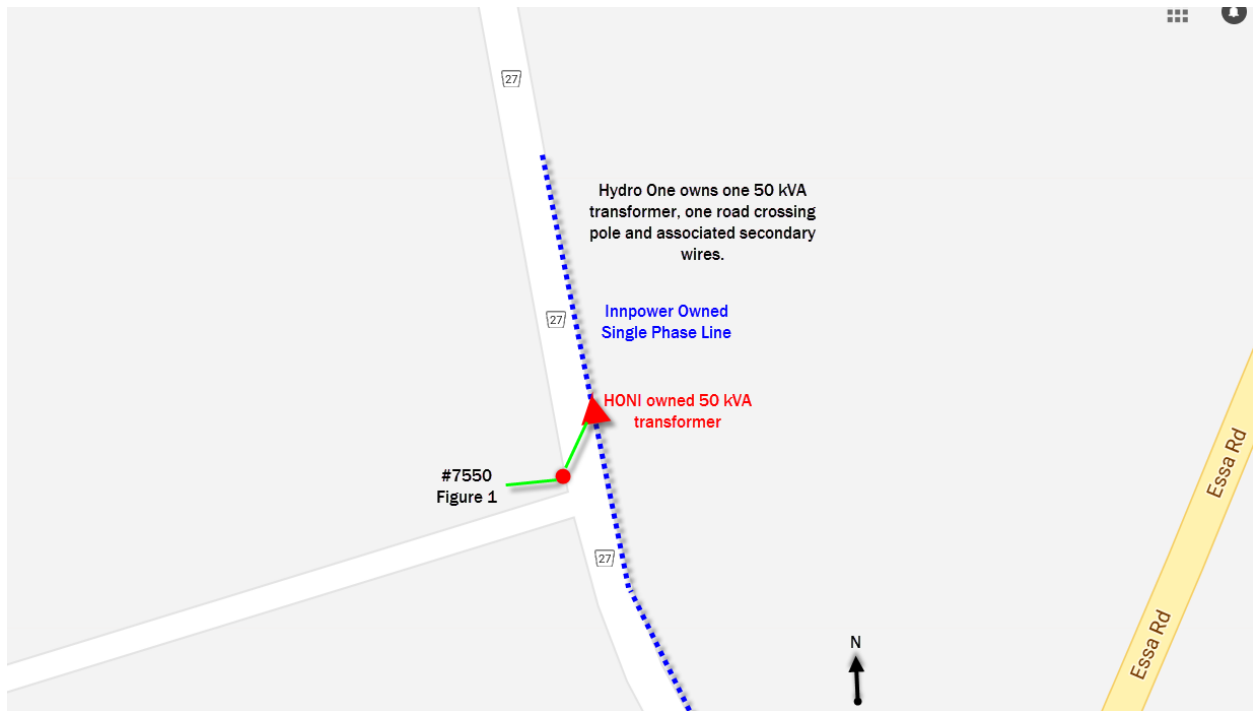
Geographical Distributor (Hydro One) Maps

Hydro One Geographical LDC Maps for LTLT Elimination with Innpower Corporation as Physical LDC

Maps Legend

-  All LDC Primary Assets and Buss
-  LDC Transformer
-  HONI Three Phase Transformer
-  HONI Transformer
-  All HONI Secondary including Buss
-  HONI Three Phase Primary
-  HONI Single Phase Primary
-  HONI Poles

Map #12 -











Attachment 3

Map showing customer at 7510 County Road 27

InnPower Corporation

Physical Assets for Civic # 7510 County Road 27

Map Legend

-  InnPower Transformer
-  InnPower Three Phase Primary
-  InnPower Single Phase Primary
-  InnPower Secondary/Service
-  InnPower Poles
-  Customer Owned Primary
-  Customer Owned Pole
-  7510 County Rd. 27 Assets

