



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

DECISION AND ORDER

EB-2018-0156

HYDRO ONE NETWORKS INC.

Application for leave to sell distribution assets to Bell Canada

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

June 28, 2018

DECISION AND ORDER

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on April 17, 2018, under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (OEB Act), for an order granting Hydro One leave to sell distribution system assets to Bell Canada. The assets that are the subject of the proposed transaction are 6 poles located on Hwy 518 north of Star Lake Rd in Orville, Ontario.

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

THE APPLICATION

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”. Hydro One in its application stated that the assets that are the subject of this transaction are necessary in serving the public.

Hydro One has explained that the sale is for the purpose of maintaining the ownership balance between Bell Canada and Hydro One as per the Joint Use Agreement. After completion of the proposed transaction, Bell Canada will own the assets and Hydro One will continue as a tenant on these poles.

The assets will continue to be used for supplying electricity to existing Hydro One customers. The applicant stated that the transaction will not adversely affect the safety, reliability, quality of service, operational flexibility or economic efficiency of Hydro One. As well, Hydro One stated that there will be no impact on its distribution rates as a result of the asset sale.

Hydro One stated that the assets are being sold on an “as is, where is” basis for the price of \$8,791.00 plus HST. The price represents the value of the assets based on the residual value tables, modified to deduct the cost of removing the poles, in accordance with the Joint Use Agreement.

FINDINGS

The OEB finds that the proposed transaction is reasonable and is not anticipated to have any negative effects on the public interest. Hydro One’s application for leave to sell the assets described above to Bell Canada is approved.

IT IS ORDERED THAT:

1. Hydro One Networks Inc. is granted leave to sell 6 poles located on Hwy 518 north of Star Lake Rd in Orville, Ontario to Bell Canada.

DATED at Toronto June 28, 2018

ONTARIO ENERGY BOARD

Original signed by

Brian Hewson
Vice President, Consumer Protection & Industry Performance