DECISION AND ORDER

EB-2018-0195/ EB-2018-0196/

EB-2018-0197

HYDRO ONE NETWORKS INC.

Applications for leave to sell distribution assets to Bell Canada

BY DELEGATION, BEFORE: Brian Hewson

Vice President

Consumer Protection & Industry Performance

DECISION AND ORDER

Hydro One Networks Inc. (Hydro One) filed three separate applications with the Ontario Energy Board (OEB) on June 6, 2018, under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (OEB Act), for an order granting Hydro One leave to sell certain distribution system assets to Bell Canada. The OEB assigned file numbers EB-2018-0195, EB-2018-0196, and EB-2018-0197 to the applications.

The OEB combined the applications into one proceeding, pursuant to section 21(5) of the OEB Act.

The applications are being considered without a hearing pursuant to section 6(4) of the OEB Act.

The proposed sale transactions are ownership change for the purpose of maintaining the ownership balance between Hydro One and Bell Canada as per their Joint Use Agreement. The assets that are the subject of the proposed transactions are 83 poles located in various locations in Lancaster, Ontario, 11 poles located on Street Road in Glen Walter, Ontario, and 46 poles in various locations in Cornwall, Ontario. Hydro One and Bell Canada agreed that the assets are being sold for the sale price of \$80,945.00 plus HST, 47,850.00 plus HST, and 39,707.00 plus HST, respectively.

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 applications stated that the assets that are the subject of these transactions are necessary in serving the public.

Hydro One has explained that the assets will continue to be used for supplying electricity to existing Hydro One customers. After completion of the proposed transaction, Bell Canada will own the assets and Hydro One will continue as a tenant on these poles.

Hydro One in its applications stated that the transactions 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 assets sales.

The OEB finds that the proposed transactions are reasonable and are not anticipated

to have any negative effects on the public interest. Hydro One's applications for leave to sell the assets described above to Bell Canada are approved.

IT IS ORDERED THAT:

1. Hydro One Networks Inc. is granted leave to sell 83 poles located in various locations in Lancaster, Ontario, 11 poles located on Street Road in Glen Walter, Ontario, and 46 poles in various locations in Cornwall, Ontario, to Bell Canada.

DATED at Toronto August 16, 2018

ONTARIO ENERGY BOARD

Original signed by

Brian Hewson Vice President, Consumer Protection & Industry Performance