

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

DECISION AND ORDER

EB-2019-0097

HYDRO ONE NETWORKS INC.

Application for leave to sell distribution assets to White Fish Lake Resort Ltd.

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

March 28, 2019

DECISION AND ORDER

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on February 21, 2019 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 White Fish Lake Resort Ltd. (White Fish Resort). The assets that are the subject of the proposed transaction are six overhead transformers located at 431 Cedar Sites Road, Nolalu, Ontario. Specifically, the assets are described as:

- 1. Two 25 kVA overhead transformers, in-service date 1986
- 2. One 25 kVA overhead transformer, in-service date 1999
- 3. One 25 kVA overhead transformer, in-service date 2002
- 4. Two 50 kVA overhead transformers, in-service date 1999

This Decision and Order is being issued by the Delegated Authority, without holding a hearing, pursuant to Section 6(4) of the OEB Act.

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 subject assets are necessary in serving the public, specifically Hydro One's customer White Fish Resort.

The sale is for the purposes of transferring ownership of the assets that are entirely located within the resort grounds owned by White Fish Resort, the purchaser of the assets. The applicant stated that the assets proposed to be sold exclusively serve and will continue to serve the same Hydro One customer. After the proposed transaction, the customer, White Fish Resort, will own the assets instead of the utility, but Hydro One will continue to supply electricity to this customer.

The parties to the transaction have agreed that the assets are being sold for the sale price of \$10,392.88 plus HST, which covers the net book value of the assets.

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, the applicant stated that there will be no impact on Hydro One's distribution rates as a result of the assets sale.

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 Hydro One leave to sell the assets described above to White Fish Lake Resort Ltd.

IT IS ORDERED THAT:

1. Hydro One Networks Inc. is granted leave to sell six overhead transformers located at 431 Cedar Sites Road, Nolalu, Ontario to White Fish Lake Resort Ltd.

DATED at Toronto March 28, 2019

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson Vice President, Consumer Protection & Industry Performance