



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

---

## **DECISION AND ORDER**

**EB-2019-0117**

### **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

---

**May 23, 2019**

## DECISION AND ORDER

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on March 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 Bell Canada. The assets that are the subject of the proposed transaction are 41 poles, as described in Attachment 1, located in Kemptville, Ontario.

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 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.” The assets that are the subject of this transaction are necessary in serving the public.

The sale is for the purposes of maintaining the ownership balance between Bell Canada and Hydro One as per the Joint Use Agreement. The Joint Use Agreement stipulates that in case Bell Canada wishes to do any work in Bell Canada’s prime exchange areas, it must hold ownership of the poles. 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 electrical load 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, the applicant stated that there will be no impact on Hydro One’s distribution rates as a result of the assets sale.

This is a cash sale. The parties to the transaction agreed that the assets are being sold on an “as is, where is” basis for the sale price of \$57,610.00 plus HST. The sale price represents the value of the assets based on the residual value tables in the Joint Use Agreement. The residual value has been modified to deduct the cost of removing the poles.

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 Bell Canada.

**IT IS ORDERED THAT:**

1. Hydro One Networks Inc. is granted leave to sell 41 poles located in Kemptville, Ontario to Bell Canada.

**DATED** at Toronto May 23, 2019

**ONTARIO ENERGY BOARD**

*Original signed by*

Brian Hewson  
Vice President, Consumer Protection & Industry Performance

Attachment 1: Asset Listing

## Attachment 1: Asset Listing

Bell FTTH Project - Kemptville						
FTTH-Y38250-1						
Location of Asset	Pole ID	Pole Size (feet)	Date of Pole	Quantity	Residual Value (Per Unit)	Sale Price
Concession Rd	AKZRAJ	40	1960	1	\$429.00	\$429.00
	AKZM2R	50	1986	1	\$1,055.00	\$1,055.00
	AKZM3W	50	1986	1	\$1,055.00	\$1,055.00
	ACSF9N	50	1986	1	\$1,055.00	\$1,055.00
	ACSH2M	50	1986	1	\$1,055.00	\$1,055.00
	ACSJ8Y	50	1986	1	\$1,055.00	\$1,055.00
	CAKBBQ	55	2010	1	\$2,700.00	\$2,700.00
	CAKADW	60	2009	1	\$3,592.00	\$3,592.00
	ACSHCT	60	1990	1	\$2,126.00	\$2,126.00
	ACSHED	60	1990	1	\$2,126.00	\$2,126.00
	ACSHFJ	60	1986	1	\$1,817.00	\$1,817.00
	CVSLSZ	60	2012	1	\$3,823.00	\$3,823.00
	CVSLTE	60	2012	1	\$3,823.00	\$3,823.00
	ACSHJC	60	1986	1	\$1,817.00	\$1,817.00
	CND7AY	50	1986	1	\$1,055.00	\$1,055.00
	ACSHLM	55	1990	1	\$1,618.00	\$1,618.00
			<b>Total</b>	<b>16</b>	<b>\$30,201.00</b>	<b>\$30,201.00</b>
FTTH-Y38522-1						
Location of Asset	Pole ID	Pole Size (feet)	Date of Pole	Quantity	Residual Value (Per Unit)	Sale Price
Wellington St	CVSL3V	50	2011	1	\$1,924.00	\$1,924.00
	ATTKCQ	40	1982	1	\$811.00	\$811.00
	ATTL6H	40	1982	1	\$811.00	\$811.00
	ATTKFF	40	1982	1	\$811.00	\$811.00
	ATTK9S	40	1982	1	\$811.00	\$811.00
	ATTKHP	40	1982	1	\$811.00	\$811.00
	CNDUPL	50	2009	1	\$1,854.00	\$1,854.00
			<b>Total</b>	<b>7</b>	<b>\$7,833.00</b>	<b>\$7,833.00</b>
FTTH-Y40171-1						
Location of Asset	Pole ID	Pole Size (feet)	Date of Pole	Quantity	Residual Value (Per Unit)	Sale Price
Pine Hill Rd	AKZQ3M	40	1975	1	\$620.00	\$620.00
	AKZQ5W	40	1974	1	\$593.00	\$593.00
	AKZQ6B	50	1986	1	\$1,055.00	\$1,055.00
	AKZQ7E	50	1986	1	\$1,055.00	\$1,055.00
	CAK8FW	45	1986	1	\$1,037.00	\$1,037.00
	CVSKLM	45	1966	1	\$429.00	\$429.00
	CVSKMR	45	2011	1	\$1,882.00	\$1,882.00
	AKZMKM	45	2012	1	\$1,916.00	\$1,916.00
	AKZQPB	45	2012	1	\$1,916.00	\$1,916.00
	AKZQGJ	45	1991	1	\$1,206.00	\$1,206.00
			<b>Total</b>	<b>10</b>	<b>\$11,709.00</b>	<b>\$11,709.00</b>
FTTH-Y40918-1						
Location of Asset	Pole ID	Pole Size (feet)	Date of Pole	Quantity	Residual Value (Per Unit)	Sale Price
Van Buren St	ATTGBV	50	1975	1	\$672.00	\$672.00
	ATTFUJ	50	1973	1	\$603.00	\$603.00
	ATTGHZ	45	1975	1	\$666.00	\$666.00
			<b>Total</b>	<b>3</b>	<b>\$1,941.00</b>	<b>\$1,941.00</b>
FTTH-Y40918-2						
Location of Asset	Pole ID	Pole Size (feet)	Date of Pole	Quantity	Residual Value (Per Unit)	Sale Price
Nursery Rd	ATTGSC	40	1990	1	\$975.00	\$975.00
	ATTGRX	40	1995	1	\$948.00	\$948.00
	ATTGQS	45	1992	1	\$1,105.00	\$1,105.00
	ATTGPN	40	1982	1	\$948.00	\$948.00
	CEVE2P	45	2011	1	\$1,950.00	\$1,950.00
			<b>Total</b>	<b>5</b>	<b>\$5,926.00</b>	<b>\$5,926.00</b>