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**Joanne Richardson**  
Director – Major Projects and Partnerships  
Regulatory Affairs

BY EMAIL, RESS AND COURIER

December 9, 2019

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

Dear Ms. Long,

**Service Area Amendment Application to Eliminate Load Transfer Arrangements  
Between Hydro One Networks Inc. and Alectra Utilities Corporation**

Hydro One Networks Inc. (“Hydro One”) and Alectra Utilities Corporation (“Alectra Utilities”) are jointly submitting this Service Area Amendment (“SAA”) Application to the Ontario Energy Board (“OEB”) to request to amend the service areas of both distributors such that existing long term load transfer (“LTLT”) arrangements between the two distributors are eliminated.

To protect the personal information of the single customer, some information in this application has been redacted.

An electronic copy of this Application has been filed through the Ontario Energy Board’s Regulatory Electronic Submission System (RESS).

Should you have any questions on this Application, please contact Pasquale Catalano at (416) 345-5405 or via email at [Pasquale.Catalano@HydroOne.com](mailto:Pasquale.Catalano@HydroOne.com).

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson



# **Ontario Energy Board**

## **Elimination of Load Transfer Arrangements Between Hydro One Networks Inc. and Alectra Utilities Corporation**

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

**December 9, 2019**

## PART I: SERVICE AREA AMENDMENT

### 1.1 Basic Facts

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

This application is being filed as follow up to a previous application that was filed and approved by the OEB (EB-2017-0237). Since then, Hydro One and Alectra Utilities have identified that there is one additional customer that was not identified in the original application. The customer was first connected on April 22<sup>nd</sup>, 2016, while the LTLT Elimination applications were in process, and was therefore missed in the original application. Hydro One and Alectra are jointly submitting this application to eliminate the outstanding LTLT.

### 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 <sup>th</sup> 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 Advisor	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 Alectra Utilities Corporation	Licence Number ED-2016-0360
Address: 2185 Derry Road West Mississauga, Ontario L5N 7A6	Telephone Number 905-821-5727
	Facsimile Number 905-522-6570
	E-mail Address: indy.butany@alecrautilities.com
Contact Person: Indy J. Butany-DeSouza Vice President, Regulatory Affairs	Telephone Number As listed above.
	Facsimile Number As listed above.
	E-mail Address As listed above.

### 1.3 Description of Proposed Service Area

1.3.1	<p><b>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).</b> The proposed amendments are premise specific. Should the OEB approve this application, Alectra Utilities' licence will include the premise in Attachment 1. The premise will be removed from Hydro One's licence.</p> <p>Should the OEB approve the application, the following addition to Alectra's licence is required:</p> <p><b>To be added to the Horizon Utilities Rate Zone</b> 24. Including properties located at the following addresses: 1                           TUPPER DR            THOROLD</p> <p>No changes to Hydro One's licence are required.</p>
1.3.2	<p><b>Provide maps or diagrams of the area(s) that is the subject of the SAA application.</b></p> <p>Please see Attachment 2.</p>
1.3.3	<p><b>Provide a description of the type of physical connection(s); i.e., individual customer; residential subdivision, commercial or industrial customer.</b></p> <p>One residential customer is proposed to be transferred from Hydro One to Alectra.</p>

### 1.4 Information on Affected Load Transfer Customers

1.4.1	<p><b>Provide a total number of load transfer arrangements between distributors.</b></p> <p>Section 1.3.3 addresses the majority of existing load transfer arrangements between the two distributors. Given that Alectra Utilities is partially embedded in Hydro One's distribution system, there may be some load transfer arrangements that are not being addressed by this application.</p>
1.4.2	<p><b>Provide a number of load transfers eliminated in this application.</b></p> <p>Please see 1.3.3.</p>
1.4.3	<p><b>Provide a number of customers to be transferred from Hydro One to Alectra.</b></p> <p>Please see 1.3.3.</p>
1.4.4	<p><b>Provide a number of customers to be transferred from Alectra to Hydro One.</b></p> <p>There are no customers proposed to be transferred from Alectra to Hydro One.</p>
1.4.5	<p><b>Provide a list of affected load transfer customers. (Customer listing must include customer address, name, billing address, rate class and meter number)</b></p> <p>Please see Attachment 1.</p>
1.4.6	<p><b>Provide written confirmation that all affected persons have been provided with specific and factual information about the service area amendments.</b></p> <p>A letter informing the customer of the proposed amendment was sent by Hydro One to their customers on October 10<sup>th</sup>, 2019.</p>

**1.5. Impacts Arising from the Amendment(s)**

1.5.1	<p><b>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.</b></p> <p>As shown in Table 1 below, the customer moving from Hydro One to Alectra will see a reduction in their monthly delivery charges. As such, no credit mitigation is required for this customer.</p> <table border="1" data-bbox="315 478 1409 701"> <thead> <tr> <th rowspan="2">Monthly Consumption (kWh)</th> <th colspan="4">Hydro One Networks</th> <th colspan="4">Alectra Utilities (Horizon Utilities Rate Zone)</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></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Monthly Consumption (kWh)	Hydro One Networks				Alectra Utilities (Horizon Utilities Rate Zone)				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 (\$)***										
Monthly Consumption (kWh)	Hydro One Networks				Alectra Utilities (Horizon Utilities Rate Zone)				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 (\$)***																					
1.5.2	<p><b>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.</b></p> <p>No assets will be stranded as a result of this application.</p>																												
1.5.3	<p><b>Identify costs for stranded equipment that would need to be de-energized or removed.</b></p> <p>N/A – please see 1.5.2.</p>																												
1.5.4	<p><b>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.</b></p> <p>Please see Part 2.</p>																												
1.5.5	<p><b>Include an estimate of the credit required for each customer to ensure there is not a negative impact on the total bill.</b></p> <p>The customer will not receive a mitigation credit, as their rates will decrease as a result of this proposed amendment</p>																												

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

**2.1 Description of the Assets to Be Transferred**

2.1.1	<b>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)</b> See Attachment 1.
2.1.2	<b>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.</b> 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.
2.1.3	<b>Indicate which distributor’s customers are currently served by the assets.</b> 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.

**2.2 Description of the Sale Transaction**

2.2.1	<b>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.</b>  Hydro One proposes to sell LTLT associated assets to Alectra Utilities for a total of \$80.00 plus applicable taxes.
2.2.2	<b>Will the transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties? If yes, please specify how.</b>  There are no third parties that will be impacted by this sale.

### **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 Original Signed By Joanne Richardson	Name and Title of Key Individual Joanne Richardson Director - Major Projects and Partnerships, Regulatory Affairs	Date December 6, 2019
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(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 Original Signed By Indy J. Butany-DeSouza	Name and Title of Key Individual Indy J. Butany-DeSouza Vice President, Regulatory Affairs	Date December 3, 2019
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(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 to Alectra**





**Asset Summary**

	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	0	0	0	0	1	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		
<b>Subtotal</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
Total O/H	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Total Secondary O/H (m)	<b>0</b>
Total U/G	0	0	0	0	63	0	0	0	0	0	0	0	0	0	0	Total Secondary U/G (m)	<b>63</b>
Total Primary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	Total Primary (m)	<b>0</b>
Toal Buss (m)	0																

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

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

**ASSET SUMMARY**









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

## **Attachment 2**

**Geographical Distributor (Hydro One) Maps (Customer to  
Alectra Utilities)**

# Hydro One Geographical LDC Maps for LTLT Elimination with Alectra as Physical LDC

## Maps Legend

	<b>All LDC Primary Assets and Buss</b>
	<b>LDC Transformer</b>
	<b>HONI Three Phase Transformer</b>
	<b>HONI Transformer</b>
	<b>All HONI Secondary including Buss</b>
	<b>HONI Three Phase Primary</b>
	<b>HONI Single Phase Primary</b>
	<b>HONI Poles</b>

Note: "TRF" in the maps below, denotes a transformer.

Map #1 -

