



Ontario
Energy
Board

Commission
de l'énergie
de l'Ontario

DECISION AND ORDER

EB-2019-0221

HYDRO ONE NETWORKS INC.

**Application for leave to sell distribution assets to 2390364 Ontario
Inc. (Southlands Village Community)**

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

March 5, 2020

DECISION AND ORDER

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on September 4, 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 2390364 Ontario Inc. (Southlands Village Community). The assets that are the subject of the proposed transaction are one 15kVA overhead transformer, one 37.5 kVA overhead transformer and one 50kVA overhead transformer located at 32-439696 Hwy. 3, Wainfleet, 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.

Southlands Village Community is a residential community for seniors in the Niagara region and is located in Wainfleet, Ontario. The requested sale of the assets is for the purposes of transferring ownership of assets that are located on land owned by Southlands Village Community. After the sale, the assets will be owned by the park owner instead of the utility, but Hydro One will continue to meter, supply and invoice the electricity to the customers.

Hydro One explained its policy for transferring ownership of assets when a park owner requests to add a load to an existing park or land lease community. The intent of the policy is to enable the park owner to own and operate the assets within their property. The applicant states that the transaction will not adversely affect the safety, reliability, quality of service or operational flexibility for customers and that there are no environmental issues associated with the transaction. The proposed transfer will not impact distribution or transmission rates of the applicant.

The sale of the assets is a cash sale for the price of \$429.28 plus \$55.81 HST for a total of \$485.09. The sale price covers the net book value of the assets.

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 2390364 Ontario Inc. (Southlands Village Community).

IT IS ORDERED THAT:

1. Hydro One Networks Inc. is granted leave to sell one 15kVA overhead transformer, one 37.5 kVA overhead transformer and one 50kVA overhead transformer located at 32-439696 Hwy. 3, Wainfleet, Ontario.

DATED at Toronto March 5, 2020

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson
Vice President, Consumer Protection & Industry Perform