

**Hydro One Networks Inc.**  
7<sup>th</sup> Floor, South Tower  
483 Bay Street  
Toronto, Ontario M5G 2P5  
www.HydroOne.com

Tel: (416) 345-5393  
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Joanne.Richardson@HydroOne.com



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

BY EMAIL AND RESS

August 28, 2020

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:

**Re: Hydro One Networks' Request for Leave to Sell Distribution Assets to Bell Canada per Joint Use located on Oneida Blvd.**

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Hydro One Networks seeks the Board's approval under Section 86(1)(b) of *the Ontario Energy Board Act* ("the Act"), for leave to sell assets to Bell Canada. Given that the proposed sale has no material effect on any other party, we ask that the Board dispose of this proceeding without a hearing under Section 21(4)(b) of *the Act*.

An electronic copy has been submitted using the Board's Regulatory Electronic Submission System.

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,

A handwritten signature in dark ink, appearing to read "Joanne", written over a light blue rectangular background.

Joanne Richardson



## Application Form for Applications Under Section 86(1)(b) of the *Ontario Energy Board Act, 1998*

### Application Instructions

#### 1. Purpose of This Form

This form is to be used by parties applying under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act"). Please note that the Board may require information that is additional or supplementary to the information filed in this form and that the filing of the form does not preclude the applicant from filing additional or supplementary information.

#### 2. Completion Instructions

This form is in a writeable PDF. The applicant must either:

- type answers to all questions, print two copies, and sign both copies; or
- print a copy of the form, clearly print answers to all questions, make a copy, and sign both copies.

Please send both copies of the completed form and two copies of any attachments to:

Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON M4P 1E4

If you have any questions regarding the completion of this application, please contact the Market Operations Hotline by telephone at 416-440-7604 or 1-888-632-6273 or email at [market.operations@oeb.gov.on.ca](mailto:market.operations@oeb.gov.on.ca).

The Board's "Performance Standards for Processing Applications" are indicated on the "Corporate Information and Reports" section of the Board's website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca). Applicants are encouraged to consider the timelines required to process applications to avoid submitting applications too late. If the submitted application is incomplete, it may be returned by the Board or there may be a delay in processing the application.

### PART I: IDENTIFICATION OF PARTIES

#### 1.1 Name of Applicant

Legal name of the applicant:

**Hydro One Networks Inc.**

Name of Primary Contact:

**Pasquale Catalano**

Title/Position:

**Advisor, Regulatory Affairs**

Address of Head Office:

**483 Bay Street, South Tower, 7<sup>th</sup> Floor, Toronto, M5G 2P5**

Phone:

**416-345-5405**

Fax:

**416-345-5866**

Email:

**[Regulatory@HydroOne.com](mailto:Regulatory@HydroOne.com)**

#### 1.2 Other Party to the Transaction (If more than one attach a list)

Name of other party:

**Bell Canada**

Name of Primary Contact:

**Stephanie Bezjak**

Title/Position:

**Manager, Network Provisioning**

Address of Head Office:

**575 Riverbend Dr., Kitchener, ON N2K 3S3**

Phone:

**416-573-3863**

Fax:

**N/A**

Email :

**[stephanie.bezjak@bell.ca](mailto:stephanie.bezjak@bell.ca)**

1.3 If the proposed recipient is not a licensed distributor or transmitter, is it a distributor or transmitter that is exempted from the requirement to hold a distribution or transmission licence?

- ☐ Yes  
☒ No

## PART II: DESCRIPTION OF ASSETS TO BE TRANSFERRED

2.1 Please provide a description of the assets that are the subject of the proposed transaction.

**There are 40 poles subject to this asset sale, as detailed further below:**

### Asset Listing –

Pole Barcode	Pole Height (ft.)	Year	Quantity	Residual Value (Per Unit)	Sale Price
ACM2BM	60'	1989	1	\$1,895.00	\$1,466.00
ACM2AH	60'	1989	1	\$1,895.00	\$1,466.00
ACM29T	55'	1989	1	\$1,456.00	\$1,027.00
ACM28P	55'	1989	1	\$1,456.00	\$1,027.00
BFMDCS	50'	2008	1	\$1,750.00	\$1,321.00
AYNPRZ	45'	2011	1	\$1,815.00	\$1,386.00
AYMTQH	45'	2011	1	\$1,815.00	\$1,386.00
ACLZNV	45'	1994	1	\$1,240.00	\$811.00
CZEBYH	50'	2016	1	\$2,028.00	\$1,599.00
AYNP8Z	45'	2011	1	\$1,815.00	\$1,386.00
CZECQX	50'	2016	1	\$2,028.00	\$1,599.00
BKHSXW	45'	2011	1	\$1,815.00	\$1,386.00
B6MEFF	60'	2011	1	\$3,592.00	\$3,163.00
ACLZEC	50'	1988	1	\$1,055.00	\$626.00
D4954X	40'	2019	1	\$1,767.00	\$1,338.00
B6NGSD	40'	1955	1	\$429.00	\$1.00
B6NGHA	35'	1955	1	\$429.00	\$1.00
BF3A7Y	45'	2015	1	\$1,950.00	\$1,521.00
D48XPP	45'	2019	1	\$2,085.00	\$1,656.00
B6NERQ	45'	1981	1	\$801.00	\$372.00
B6NEQL	40'	1957	1	\$429.00	\$1.00
B6NEPG	40'	1957	1	\$429.00	\$1.00
B6NENW	30'	1957	1	\$429.00	\$1.00
B6ND5X	40'	1956	1	\$429.00	\$1.00
B6ND6C	35'	1956	1	\$429.00	\$1.00
B6ND4S	35'	1958	1	\$429.00	\$1.00
D48XRY	40'	2019	1	\$1,767.00	\$1,338.00
D4DT6J	45'	2018	1	\$2,051.00	\$1,622.00
bar code unknown	35'	1956	1	\$429.00	\$1.00

B6ND8M	35'	1956	1	\$429.00	\$1.00
B6NELM	35'	1956	1	\$429.00	\$1.00
B6NEKH	35'	1956	1	\$429.00	\$1.00
B6NEJC	35'	1956	1	\$429.00	\$1.00
B6NEHS	35'	1956	1	\$429.00	\$1.00
B6NEGN	35'	1956	1	\$429.00	\$1.00
B6NEBP	35'	1956	1	\$429.00	\$1.00
B6NEFJ	40'	1956	1	\$429.00	\$1.00
B6NEED	35'	1956	1	\$429.00	\$1.00
B6NECT	35'	1956	1	\$429.00	\$1.00
B6NEDY	35'	1956	1	\$429.00	\$1.00
<b>Total Number of Poles to be Sold</b>			<b>40</b>		<b>\$27,516.00</b>

- 2.2 Please indicate where the assets are located – whether in the applicant's service area or in the proposed recipient's service area (if applicable). Please include a map of the location.

**The assets are located on Oneida Blvd., Cayuga Ave., Iroquois Ave., Seneca Dr. and Hiawatha Blvd. in Ancaster, as shown in Attachment 1.**

**Attachment 1 – Maps – Asset Location**

- 2.3 Are the assets surplus to the applicant's needs?

☐ Yes  
☒ No

If yes, please indicate why the assets are surplus and when they became surplus.

- 2.4 Are the assets useful to the proposed recipient or any other party in serving the public?

☒ Yes  
☐ No

If yes, please indicate why.

**The assets will continue to supply load to the existing customers at the same location as they are being served currently. The proposed sale is an ownership change only for the purpose of maintaining the ownership balance between Bell Canada and Hydro One as per the Joint Use Agreement. As per the Joint Use agreement, if Bell Canada wants to do any work in their prime exchange areas, they must hold ownership of the poles. Hydro One will continue to be attached to these poles as a tenant.**

- 2.5 Please identify which utility's customers are currently served by the assets.

**Hydro One**

- 2.6 Please identify which utility's customers will be served by the assets after the transaction and into the foreseeable future.

**Hydro One**

### PART III: DESCRIPTION OF THE PROPOSED TRANSACTION

3.1 Will the proposed transaction be a sale, lease or other?

- ☒ Sale  
☐ Lease  
☐ Other

If other, please specify.

3.2 Please attach the details of the consideration (e.g. cash, assets, shares) to be given and received by each of the parties to the proposed transaction.

**This is a cash sale. The sale price is \$27,516.00 plus 3,577.07, for a total of \$31,093.08. The sale price is based on the value of the assets as per the agreed upon residual value tables in the Joint Use agreement. The residual values have been modified to remove the cost associated with removing the pole, as identified in the letter signed by Bell Canada agreeing to the sale.**

#### **Attachment 2 – Bell Canada Consent Letter**

3.3 Would the proposed transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties?

- ☐ Yes  
☒ No

If yes, please explain how.

3.4 Would the proposed transfer impact distribution or transmission rates of the applicant?

- ☐ Yes  
☒ No

If yes, please explain how.

3.5 Will the transaction adversely affect the safety, reliability, quality of service, operational flexibility or economic efficiency of the applicant or the proposed recipient?

- ☐ Yes  
☒ No

If yes, please explain how.

### PART IV: WRITTEN CONSENT/JOINT AGREEMENT

4.1 Please provide the proposed recipient's written consent to the transfer of the assets by attaching:

- (a) a letter from the proposed recipient consenting to the transfer of the assets;
- (b) a letter or proposed sale agreement jointly signed by the applicant and the proposed recipient agreeing to the transfer of the assets; or
- (c) the proposed recipient's signature on the application.

**(a) Please see Attachment 2 – Bell Consent Letter.**

## PART V: REQUEST FOR NO HEARING


- 5.1 Does the applicant request that the application be determined by the Board without a hearing? If yes, please provide:
- (a) an explanation as to how no person, other than the applicant or licence holder, will be adversely affected in a material way by the outcome of the proceeding; and
  - (b) the proposed recipient's written consent to dispose of the application without a hearing.
- (a) **The proposed transfer of assets is within Bell Canada's prime exchange and it has no material effect on any party other than the purchaser and the seller.**
- (b) **Please see Attachment 2 – Bell Consent Letter.**

## PART VI: OTHER INFORMATION

- 6.1 Please provide the Board with any other information that is relevant to the application. When providing this additional information, please have due regard to the Board's objectives in relation to electricity.
- N/A**

## PART VII: CERTIFICATION AND ACKNOWLEDGMENT STATEMENT

- 7.1 Certification and Acknowledgment  
I certify that the information contained in this application and in the documents provided are true and accurate.

Signature of Key Individual 	Print Name of Key Individual <b>Joanne Richardson</b>	Title/Position <b>Director – Major Projects and Partnerships</b>
	Date <b>August-28-20</b>	Company <b>Hydro One Networks Inc.</b>

(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**

## **Asset Location - Maps**





## **ATTACHMENT 2**

### **Bell Consent Letter**

Arjun Devdas  
Manager, Asset Optimization  
Strategy & Integrated Planning

**April 22, 2020**

Bell Canada  
575 Riverbend Dr.  
Kitchener, Ontario  
N2K 3S3

**Attention:** Stephanie Bezjak

**RE: Sale of Hydro One Networks Inc. Joint Use Poles – Ancaster**

This letter is to confirm Hydro One Networks Inc.'s ("Hydro One") agreement to sell 40 poles currently owned by Hydro One to Bell Canada ("Bell"), conditional to the Ontario Energy Board's ("OEB") approval. This also confirms that Bell supports Hydro One to proceed with the Section 86(1)(b) application without a hearing. Bell has agreed to take ownership of 40 Hydro One poles.

Bell has agreed to take over ownership of 40 poles. The sale will be conditional on the following reassurance being given to Hydro One:

- 1.0** Acceptance of the existing joint use tenants, where applicable, whose tenancy with Hydro One will be subsequently terminated upon the sales transaction.

The 40 poles will be transferred, following the OEB's approval, on an "as is, where is" basis, pursuant to Hydro One's Joint Use agreement. The assets being sold in this transaction are located on Oneida Blvd., Cayuga Ave., Iroquois Ave., Seneca Dr. and Hiawatha Blvd. in Ancaster and details of the assets and locations are found in Attachment 1.

- Since these assets are being sold on an "as is, where is" basis, the residual value has been modified to remove the cost of pulling the poles
- The 40 poles to be sold to Bell Canada are located on Oneida Blvd., Cayuga Ave., Iroquois Ave., Seneca Dr. and Hiawatha Blvd. in Ancaster and are shown in Attachment 1
- The sale price is **\$27,516.00** plus **\$3,577.08** HST for a total of **\$31,093.08**
- The following list of poles are to be sold to Bell Canada:

<b>Pole Barcode</b>	<b>Pole Height (ft.)</b>	<b>Quantity</b>	<b>Residual Value (Per Unit)</b>	<b>Sale Price</b>
ACM2BM	60' CL1 - 1988 - 31 years old	1	\$ 1,895.00	\$1,466.00
ACM2AH	60' CL1 - 1988 - 31 years old	1	\$ 1,895.00	\$1,466.00
ACM29T	55' CL2 - 1988 - 31 years old	1	\$ 1,456.00	\$1,027.00

ACM28P	55' CL2 - 1988 - 31 years old	1	\$	1,456.00	\$1,027.00
BFMDCS	50' CL3 - 2007 - 12 years old	1	\$	1,750.00	\$1,321.00
AYNPRZ	45' CL3 - 2010 - 9 years old	1	\$	1,815.00	\$1,386.00
AYMTQH	45' CL3 - 2010 - 9 years old	1	\$	1,815.00	\$1,386.00
ACLZNV	45' CL4 - 1993 - 26 years old	1	\$	1,240.00	\$811.00
CZEBYH	50' CL3 - 2015 - 4 years old	1	\$	2,028.00	\$1,599.00
AYNP8Z	45' CL3 - 2010 - 9 years old	1	\$	1,815.00	\$1,386.00
CZECQX	50' CL3 - 2015 - 4 years old	1	\$	2,028.00	\$1,599.00
BKHSXW	45' CL4 - 2010 - 9 years old	1	\$	1,815.00	\$1,386.00
B6MEFF	60' CL2 - 2010 - 9 years old	1	\$	3,592.00	\$3,163.00
ACLZEC	50' CL3 - 1987 - 32 years old	1	\$	1,055.00	\$626.00
D4954X	40' CL4 - 2018 - 1 year old	1	\$	1,767.00	\$1,338.00
B6NGSD	40' CL4 - 1954 - 65 years old	1	\$	429.00	\$1.00
B6NGHA	35' CL5 - 1954 - 65 years old	1	\$	429.00	\$1.00
BF3A7Y	45' CL4 - 2014 - 5 years old	1	\$	1,950.00	\$1,521.00
D48XPP	45' CL3 - 2018 - 1 year old	1	\$	2,085.00	\$1,656.00
B6NERQ	45' CL4 - 1980 - 39 years old	1	\$	801.00	\$372.00
B6NEQL	40' CL5 - 1956 - 63 years old	1	\$	429.00	\$1.00
B6NEPG	40' CL4 - 1956 - 63 years old	1	\$	429.00	\$1.00
B6NENW	30' CL5 - 1956 - 63 years old	1	\$	429.00	\$1.00
B6ND5X	40' CL5 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6ND6C	35' CL5 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6ND4S	35' CL5 - 1957 - 62 years old	1	\$	429.00	\$1.00
D48XRY	40' CL4 - 2018 - 1 year old	1	\$	1,767.00	\$1,338.00
D4DT6J	45' CL3 - 2017 - 2 years old	1	\$	2,051.00	\$1,622.00
bar code unknown	35' CL5 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6ND8M	35' CL5 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6NELM	35' CL6 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6NEKH	35' CL6 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6NEJC	35' CL5 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6NEHS	35' CL5 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6NEGN	35' CL5 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6NEBP	35' CL6 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6NEFJ	40' CL5 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6NEED	35' CL4 - 1955 - 64 years old	1	\$	429.00	\$1.00

B6NECT	35' CL5 - 1955 - 64 years old	1	\$	429.00	\$1.00
B6NEDY	35' CL5 - 1955 - 64 years old	1	\$	429.00	\$1.00
Total Number of Poles to be Sold		40			\$27,516.00

If you are in agreement with these conditions of the sale of the 40 poles, please sign and return this letter at your earliest convenience. On receipt of this signed letter of consent and indemnity, we will proceed to obtain formal approval from the OEB to transfer the 40 poles to Bell Canada.

Thank you for your assistance in this matter.

Yours truly,

Original Signed By Arjun Devdas

Arjun Devdas  
Manager, Asset Optimization  
Strategy & Integrated Planning  
Hydro One Networks Inc.

### **Acknowledgement**

I, Stephanie Bezjak, of Bell Canada, agree with content, terms and conditions set out in this letter regarding the sale of 40 poles currently owned by Hydro One to Bell Canada and support Hydro One to proceed with the Section 86(1)(b) application without a hearing.

Per: *Original Signed By Stephanie Bezjak*

Name: Stephanie Bezjak

Title: Manager, Network Provisioning

Company: Bell Canada

I have authority to bind the corporation.

## Attachment 1

