



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

DECISION AND ORDER

EB-2020-0228

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

November 5, 2020

DECISION AND ORDER

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on September 16, 2020 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 38 poles, as described in Attachment 1, located on Lynda Lane, Elm Hill Blvd., Pine St., Evergreen Ave., Hostein Dr., Middle Cres., McNeil Pl. and Southcote Rd., in Ancaster, 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 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 \$27,717.00 inclusive of 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 38 poles located in Ancaster, Ontario to Bell Canada.

DATED at Toronto November 5, 2020

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson
Vice President, Consumer Protection & Industry Performance

Attachment 1: Asset List

Attachment 1: Asset Listing

Location	Barcode	Height	Age	Quantity	Setting Type	Sale Price
P1	CFYPAP	40'	2011	1	Earth+	\$1,806.00
P2	BDB57R	40'	2001	1	Earth+	\$1,365.00
P3	BDB56M	40'	1956	1	Earth+	\$1.00
P4	BDB55H	35'	1956	1	Earth+	\$1.00
P5	BQX5EX	40'	2013	1	Earth+	\$1,894.00
P6	BQXAMH	40'	2013	1	Earth+	\$1,894.00
P7	BDB4WR	35'	1956	1	Earth+	\$1.00
P8	BQ5AMG	40'	2013	1	Earth+	\$1,894.00
P9	BQ59MA	40'	2013	1	Earth+	\$1,894.00
P10	BQ5AKW	40'	2013	1	Earth+	\$1,894.00
P11	CFXWCY	40'	2013	1	Earth+	\$1,894.00
P12	BDB5KN	35'	1962	1	Earth+	\$1.00
P13	BQWXXV	40'	2013	1	Earth+	\$1,894.00
P14	BDB5HY	35'	1962	1	Earth+	\$1.00
P15	BDB5GT	35'	1954	1	Earth+	\$1.00
P16	BDB5FP	45'	1980	1	Earth+	\$503.00
P17	BDB5EJ	35'	1954	1	Earth+	\$1.00
P18	BDB5DE	35'	1954	1	Earth+	\$1.00
P19	BKJ6DU	40'	2013	1	Earth+	\$1,894.00
P20	BDB5AP	35'	1954	1	Earth+	\$1.00
P21	BDB5YF	30'	1954	1	Earth+	\$1.00
P22	BKHQGH	35'	1956	1	Earth+	\$1.00
P23	BDB59B	35'	1956	1	Earth+	\$1.00
P24	BDB4SX	35'	1956	1	Earth+	\$1.00
P25	BDB6PQ	35'	1956	1	Earth+	\$1.00
P26	BDB7TP	35'	1956	1	Earth+	\$1.00
P27	BDB6EN	35'	1956	1	Earth+	\$1.00
P28	BDB87D	35'	1956	1	Earth+	\$1.00
P29	BDB7UT	35'	1956	1	Earth+	\$1.00
P30	BDB7ZS	35'	1956	1	Earth+	\$1.00
P31	D4DSTY	40'	2017	1	Earth+	\$2,070.00
P32	BF4LXC	40'	2017	1	Earth+	\$2,070.00
P33	BDB54C	35'	1956	1	Earth+	\$1.00
P34	BF4GER	45'	2017	1	Earth+	\$2,364.00
P35	BF4GEK	45'	2017	1	Earth+	\$2,364.00
P36	BKJRTE	40'	1958	1	Earth+	\$1.00
P37	BKJRUJ	45'	1967	1	Earth+	\$1.00
P38	BKJRVF	45'	1967	1	Earth+	\$1.00
Total Number of Poles to be Sold				38		\$27,717.00