

# DECISION AND ORDER EB-2020-0273

## 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

#### **DECISION AND ORDER**

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on November 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 5 poles, as described in Attachment 1, located on Concession Rd. 8, Walker Rd., and County Roads 18 and 20 in Amherstburg, 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 \$2,706.00 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 5 poles located in Amherstburg, Ontario to Bell Canada.

**DATED** at Toronto December 3, 2020

#### **ONTARIO ENERGY BOARD**

Original Signed By

Brian Hewson Vice President, Consumer Protection & Industry Performance

Attachment 1: Asset List

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Concession Rd. 8, Walker Rd., and County Roads 18 and 20

Location	Barcode	Bell Permit ID	Age	Height	Setting Type	Sale Price
8616 Con. Rd. 8	C97EZU	ESX - 62573343	12 vrs	35'	Earth+	\$890.00
8442 Con. Rd. 8	BF8MDW	ESX - 62573343	48 yrs	35'	Earth+	\$47.00
10136 Walker Rd.	BSYAEA	ESX - 62568299	6 vrs	35'	Earth+	\$1039.00
2701 Cty. Rd. 20	B6HVRP	ESX - 62419951	21 vrs	40'	Earth	\$729.00
9241 Cr-18	AP6TBB	ESX - 62420100	71 yrs	35'	Earth	\$1.00
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