

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

Tel: (416) 345-5393
Cell: (416) 902-4326
Fax: (416) 345-6833
Joanne.Richardson@HydroOne.com



Joanne Richardson
Director – Major Projects and Partnerships
Regulatory Affairs

BY EMAIL AND RESS

February 12, 2021

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

Dear Ms. Long:

Hydro One Networks' Request for Leave to Sell Distribution Assets to ERTH Power Corporation located in Tavistock.

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 ERTH Power Corporation. 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 of this application 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

Sincerely,

A handwritten signature in black ink, appearing to read "Joanne Richardson".

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
27th 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.

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. 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	<u>Name of Applicant</u> Legal name of the applicant: Hydro One Networks Inc. Name of Primary Contact: Pasquale Catalano Title/Position: Regulatory Advisor, Regulatory Affairs Address of Head Office: 483 Bay Street, South Tower, 7 th Floor, Toronto, ON, M5G 2P5 Phone: 416-345-5405 Fax: 416-345-5866 Email: regulatory@hydroone.com
1.2	<u>Other Party to the Transaction</u> (If more than one attach a list) Name of other party: EARTH Power Corporation Name of Primary Contact: Josh Smith, P. Eng. Title/Position: Director of Engineering & Operations Address of Head Office: 143 Bell Street, PO Box 157, Ingersoll, ON, N5C 3K5 Phone: 519-485-1820 ext. 220 Fax: 519-485-5838 Email: josh.smith@erthpower.com

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.

The proposed sale involves a load break switch, two wood distribution poles, and 200 metres of overhead conductor. Please see below for a description of the poles. The switch and conductor were installed in 1979 and 1977, respectively.

Pole Barcode	Year Installed	Height
BR7HRP	1977	50 ft.
BR7HSU	1979	45 ft.

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 directly south of Perth Line 29, approximately 500 metres east of CR 107, north west of Tavistock. The assets are just outside of ERTH Power territory, and will only be used to service ERTH Power customers.

See Attachment 1 – Map

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 Load Break Switch (“LBS”), poles and conductor subject to this sale only service ERTH Power customers. Once approval is granted, ERTH Power will continue to use the LBS to service its customers but will be able to avoid the inefficiency caused by the coordination with Hydro One when operating the LBS.

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

These assets are utilized to service EARTH Power customers.

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

These assets will continue to be utilized to service EARTH Power customers.

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 \$3,735.00 plus \$485.55 (HST) for a total sale price of \$4,220.55. The sale price has been agreed to by both parties, as indicated in the consent letter, attached to this application.

See Attachment 2 – EARTH Power 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) The letter is found in Attachment 2

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 sale of assets are only used to service the purchaser's customers and the sale has no material effect on any third party other than the purchaser and the seller.
- (b) The letter is found as Attachment 2.

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.

PART VII: CERTIFICATION AND ACKNOWLEDGMENT STATEMENT

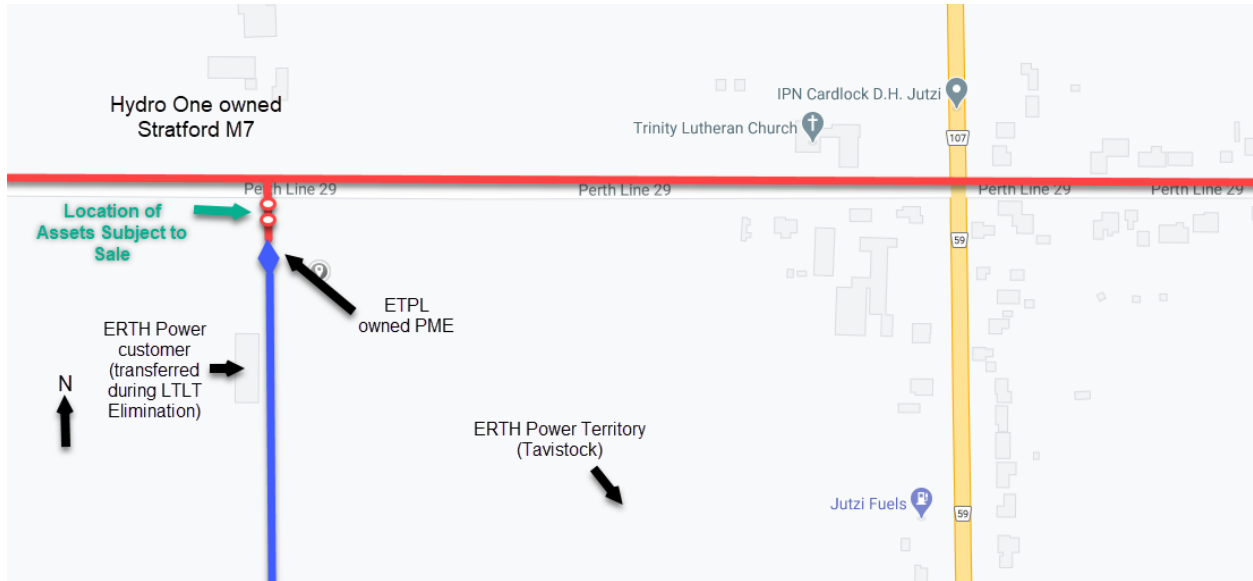
- 7.1 Certification and Acknowledgment
I certify that the information contained in this application and in the documents provided are true and accurate.

Signature of Key Individual 	Print Name of Key Individual Joanne Richardson	Title/Position Director – Major Projects and Partnerships
	Date February 12, 2021	Company Hydro One Networks Inc.

(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

Map of Assets Subject to Sale



Attachment 2

ERTH Power Consent Letter

ERTH



P O W E R

January 4, 2021

Shevy Wynter
Account Executive
Hydro One Networks Inc.

Dear Shevy:

RE: Asset Purchase & Sale – Stratford M7

The purpose of this letter is to confirm that ERTH Power Corporation (“ERTH”) supports Hydro One Incorporated’s (“Hydro One”) sale of assets to ERTH and supports proceeding with a Section 86(1)(b) application without a hearing.

The assets consist of a load break switch (TA-3), two wood distribution poles (BR7HRP & BR7HSU) and associated conductor connected to the Stratford TS M7 and have been valued at \$3,735 + HST.

The sale of assets will require the demarcation point between Hydro One and ERTH to be adjusted to the line side of the existing Tavistock PME 015170 at pole AZC3EV.

Yours sincerely,

Original Signed by Graig Pettit

Graig Pettit
Vice President & General Manager

Your Hometown Utility