



EB-2008-0145

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c. 15, Schedule B;

AND IN THE MATTER OF an application pursuant to
section 86(1)(b) of the *Ontario Energy Board Act*, 1998
by Hydro One Networks Inc. seeking an order granting
Hydro One Networks Inc. leave to sell distribution system
assets to Middlesex Power Distribution Corporation.

By delegation, before: Jennifer Lea

DECISION AND ORDER

On June 17, 2008, Hydro One Networks Inc. filed an application with the Ontario Energy Board under section 86(1)(b) of the *Ontario Energy Board Act*, 1998 for an order granting Hydro One leave to sell certain distribution system assets to Middlesex Power Distribution Corporation.

The assets being sold in this transaction consist of three poles and are located entirely in the licensed service area of Middlesex Power.

Findings

Hydro One, with Middlesex Power's consent, requested that the Board dispose of this matter without a hearing under section 21(4)(b) of the Act. I find, based on the evidence filed in the application, that no person will be adversely affected in a material way by the outcome of this proceeding. I have therefore disposed of this matter without a hearing.

Section 86(1)(b) of the Act provides that leave of the Board is required before 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 applicant states that the subject poles currently do not serve any Hydro One customers and there are no plans by Hydro One to serve any of its customers in the future using these poles. The subject poles are currently serving Middlesex Power’s customers. Middlesex Power currently pays Hydro One joint use fees for the use of the poles. If the Board approves this application, upon execution of the transaction, the assets will be dedicated to Middlesex Power’s customers and Hydro One will not be a joint use occupant on the poles.

The applicant further states that there are no environmental issues associated with the transaction, and the transaction will not adversely affect the safety, reliability, quality of service or operational flexibility of Hydro One or Middlesex Power. In fact, according to the application, the proposed transaction will improve the operational flexibility of Middlesex Power.

The total sale price of \$4000.00 (plus GST) represents the net book value of the assets. The applicant states that there will be no material impact upon distribution ratepayers of Hydro One as a result of this transaction.

Based on the evidence, I find that there are benefits to the proposed transaction, and no negative consequences have been identified. I therefore find that it is in the public interest to grant Hydro One leave to sell the assets described above to Middlesex Power.

The approval of this application should in no way be construed as providing the Board’s view as to the merits of any future rate proposal related to the assets that are the subject of this decision and order.

IT IS ORDERED THAT:

Hydro One Networks Inc. is granted leave to sell to Middlesex Power Distribution Corporation the distribution assets generally described in the application as three poles.

ISSUED at Toronto, July 22, 2008

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea
Counsel, Special Projects