

# DECISION AND ORDER

EB-2023-0281

## 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 September 11, 2023, 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 127 poles (subject assets), as described in Attachment 1, located in Dundas, 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 purpose of maintaining the ownership balance between Bell Canada and Hydro One as per a Joint Use Agreement (Agreement). The 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 subject assets. After completion of the proposed transaction, Bell Canada will own the subject assets and Hydro One will continue as a tenant on these subject assets. The subject 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 sale of the subject assets.

This is a cash sale. The parties to the transaction have agreed that the subject assets will be sold on an "as is, where is" basis for the sale price of \$51,040.97 inclusive of HST. The sale price represents the value of the subject assets based on the residual value tables in the Agreement. The residual value has been modified to deduct the cost of removing the subject assets.

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 subject assets described above to Bell Canada.

#### IT IS ORDERED THAT:

1. Hydro One Networks Inc. is granted leave to sell the 127 poles, described in the Attachment to this Order, which are located in Dundas, Ontario, to Bell Canada.

**DATED** at Toronto October 17, 2023

#### **ONTARIO ENERGY BOARD**

Brian Hewson Vice President, Consumer Protection & Industry Performance

Attachment 1: Asset List

### Attachment 1 – Asset List

Work Location	Barcode	Height (ft.)	Pole Year	Age	Residual Value	
1	ALBVHP	35	1956	65	\$1	
2	ALBVGK	35	1972	49	\$25	
3	ALBVJZ	35	1972	49	\$25	
4	ALBVKE	35	1972	49	\$25	
5	BQQJQQ	35	1958	63	\$1	
6	ALBVLJ	40	1974	47	\$110	
7	ALBVMP	40	1970	51	\$1	
8	ALBVNT	35	1956	65	\$1	

9	ALBVPD	35	1970	51	\$1	
10	ALBVQJ	40	1972	49	\$37	
11	BQQJMW	35	1958	63	\$1	
12	ALBVRN	35	1970	51	\$1	
13	ALBVSS	35	1956	65	\$1	
14	ALBVUC	35	1958	63	\$1	
15	B87GJX	45	2015	6	\$1,927	
16	BQQJNB	35	1965	56	\$1	
17	BQQJPL	35	1966	55	\$1	
18	BQQJKM	30	1970	51	\$1	
19	ALBVVH	35	1959	62	\$1	
20	ALBVWM	35	1959	62	\$1	
21	AYPA3Y	30	1973	48	\$54	
22	ARYRMB	40	2006	15	\$1,278	
23	ALBYQU	35	1972	49	\$25	
24	ALBYPP	35	1972	49	\$25	
25	AYPA6N	30	1973	48	\$54	
26	ALBYNF	40	1972	49	\$37	
27	ALBYMA	40	1972	49	\$37	
28	AYPA8X	30	1965	56	\$1	-
29	ALBYLV	40	1973	48	\$73	
30	ANVQ4L	35	1972	49	\$25	
31	BQQGMK	30	1968	53	\$1	
32	ALBZ5P	40	1970	51	\$1	
33	AYP8RN	30	1970	51	\$1	
34	ALBZ4J	40	1970	51	\$1	
35	BKHLYZ	40	2016	5	\$1,643	
36	AYP8TX	30	1958	63	\$1	
37	ALBY6P	40	1970	51	\$1	
38	AYP8UC	30	1966	55	\$1	
39	BKHLZE	45	2016	5	\$1,971	
40	BKHMDC	35	2015	6	\$1,113	
41	ANVSVH	35	1970	51	\$1	
42	BQQJVP	30	1967	54	\$1	
43	BQQJVP	35	1970	51	\$1	
44	ANVSXR	35	1970	51	\$1	
45	ANVSYW	40	1998	23	\$986	
46	BKHNPP	35	2016	5	\$1,139	
47	BKHMEH	40	2016	5	\$1,643	
48	ANVT2N	35	1970	51	\$1	
49	ANVP9G	35	1970	51	\$1	
50	BQQHZB	35	1970	51	\$1	
51	ALBXAP	35	1970	51	S1	

52	BKHNRY	40	2016	5	\$1,643
53	BQQGHL	35	1949	72	\$1
54	BKHNSD	40	2016	5	\$1,643
55	BQQGJV	35	1957	64	\$1
56	ALBYDH	35	1973	48	\$51
57	ALBYHB	35	1970	51	\$1
58	ALBZSJ	40	1968	53	\$1
59	ALC27X	35	1958	63	\$1
60	ALC29H	40	1963	58	\$1
61	B6MDVD	35	2008	13	\$936
62	ALC2AV	45	1972	49	\$44
63	BMN25X	45	2012	9	\$1,796
64	BOODCA	35	1957	64	\$1
65	ALC2CF	35	1972	49	\$25
66	ALC2DK	35	1972	49	\$25
67	BQQDBV	35	1958	63	\$1
68	ALBZUS	35	1972	49	\$25
69	ALBZTN	35	1972	49	\$25
70	BQQD9C	30	1972	49	\$27
71	ALC2GZ	35	1972	49	\$25
72	ALC2HE	35	1972	49	\$25
73	BQQCXX	35	1987	34	\$405
74	B87H3Q	40	2016	5	\$1,643
75	BQQD7S	30	1956	65	\$1
76	ALC2KT	35	1972	49	\$25
77	BQQD8X	30	1968	53	\$1
78	ALC2LY	35	1970	51	S1 .
79	ALC2MD	35	1957	64	SI
80	ALC2NJ	45	1991	30	\$876
81	ANVNHV	35	1970	51	\$1
82	ANVNJF	40	1970	51	\$1
83	ANVNKK	35	1972	49	\$25
84	BOOHYW	35	1958	63	\$1
85	ANVNLP	40	2015	6	\$1,607
86	BOOHXR	35	1956	65	S1
87	ASBQXL	40	2006	15	\$1,278
88	CZEE2G	45	2015	6	\$1,927
89	CZEFFG	35	2015	6	\$1,113
90	ANVPDJ	35	1972	49	\$25
91	ANVRWJ	40	1998	23	\$986
92	BQQKWY	35	1972	49	\$25
93	BQQKVT	35	1972	49	\$25
94	BQ5HLD	45	2011	10	\$1,752

Total Number of Poles			127	Total Cost	\$45,169
127	ALCE6Q	35	1968	53	\$1
126	ALCE7V	40	1968	53	\$1
125	BF36YU	35	2015	6	\$1,113
124	ALCE8A	40	1968	53	\$1
123	BQX6KF	40	2011	10	\$1,461
122	D4NW6Y	40	2018	3	\$1,716
121	CZEGWR	40	2015	6	\$1,607
120	ALCEAT	40.	1972	49	\$37
119	ALCR5L	35	1972	49	\$25
118	BQQCHV	30	1977	44	\$162
117	ALCR7V	35	1972	49	\$25
116	BQQCCW	35	1972	49	\$25
115	BQQCJF	35	1972	49	\$25
114	BQQKZN	35	1972	49	\$25
113	BQQKYJ	35	1972	49	\$25
112	CZEGYB	35	2015	6	\$1,113
111	ALBZHF	35	1972	49	\$25
110	ASBW4L	40	2006	15	\$1,278
109	BQQDMY	35	1956	65	\$1
108	ALBZLZ	40	1958	63	\$1
107	D48MNM	45	2018	3	\$2,059
106	ASBW5Q	40	2006	15	\$1,278
105	ALC2TM	30	1972	49	\$27
104	BQQMFZ	30	1970	51	\$1
103	ALC2SH	35	1972	49	\$25
102	ANNJ2B	40	2004	17	\$1,205
101	BOOCNZ	35	1956	65	S1
100	ASBQZV	40	2006	15	\$1,278
99	ALC2PS	35	1972	49	\$25
98	ALC3JS	35	1972	49	\$25
97	ALC39L	35	1972	49	\$25
95 96	ALC3GD ALC3HJ	35	1980 1972	41	\$228 \$25