

DECISION AND ORDER

EB-2024-0070 / EB-2024-0071 /

EB-2024-0072 / EB-2024-0073

HYDRO ONE NETWORKS INC.

Applications for leave to sell distribution assets to Bell Canada

BY DELEGATION, BEFORE: Tracy Garner

Manager,

Transmission Policy & Compliance

DECISION AND ORDER

Hydro One Networks Inc. (Hydro One) filed four applications with the Ontario Energy Board (OEB) on January 17, 2024, 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 (collectively "subject assets") as follows:

- 93 poles, as described in Attachment 1, located on Wilson Street West, Central Drive, Valleyview Drive, Taylor Road and Orchard Drive, in Ancaster, Ontario;
- 8 poles, as described in Attachment 2, located on Nipissing Street and Marleau Road in Sturgeon Falls, Ontario;
- 9 poles, as described in Attachment 3, located on Clear Lake Road in Seguin, Ontario; and
- 30 poles, as described in Attachment 4, located on Dufferin Street, Elm Street, Landsdowne Street, and Miles Avenue, in Cartier, Ontario.

The OEB combined the applications into one proceeding, pursuant to section 21(5) of the OEB Act. 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 transactions 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 transactions have agreed that the subject assets will be sold on an "as is, where is" basis for a total sale price of \$161,386.51 (\$119,272.54 + \$8,368.78 + \$17,094.64 + \$16,650.55) 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 transactions are reasonable and are 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 following subject assets to Bell Canada:
 - 93 poles, as described in Attachment 1, located on Wilson Street West,
 Central Drive, Valleyview Drive, Taylor Road and Orchard Drive, in Ancaster,
 Ontario;
 - 8 poles, as described in Attachment 2, located on Nipissing Street and Marleau Road in Sturgeon Falls, Ontario;
 - 9 poles, as described in Attachment 3, located on Clear Lake Road in Seguin, Ontario; and
 - 30 poles, as described in Attachment 4, located on Dufferin Street, Elm Street, Landsdowne Street, and Miles Avenue, in Cartier, Ontario.

DATED at Toronto February 29, 2024

ONTARIO ENERGY BOARD

Tracy Garner
Manager, Transmission Policy & Compliance

Attachments - Asset List

Asset List

Attachment - 1

					Desidual Value
					Residual Value
Work					(\$449 removal
Location	Barcode	Height	Pole Year	Age	cost subtracted)
1	B6NC3J	35'	1957	63	\$1.00
2	CXP5PR	55'	2018	2	\$2,879.04
3	CXP5MC	40'	2018	2	\$1,322.88 \$1.00
<u>4</u> 5	B6NJBJ	35' 35'	1966	54 14	
6	B8989P D3D72A	40'	2006 2018	2	\$860.40 \$1,322.88
7	B6NJEX	30'	1957	63	\$1,322.88
8	B6NJFC	40'	2007	13	\$1,019.72
9	BQ5V7G	45'	2011	9	\$1,403.02
10	ACLXSM	45'	1999	21	\$992.38
11	ACLXTR	45'	1999	21	\$992.38
12	BF36VF	50'	2013	7	\$1,544.56
13	BQ5GJP	40'	2010	10	\$1,102.40
14	B6NHLY	50'	1999	21	\$1,041.68
15	B6MC4L	50'	2013	7	\$1,544.56
16	B6NHDK	35'	1957	63	\$1.00
17	B6NHEP	35'	1957	63	\$1.00
18	B6NHKT	35'	1957	63	\$1.00
19	B6NHHE	40'	1957	63	\$1.00
20	B6NHJP	40'	1957	63	\$1.00
21	B6NHCF	35'	1957	63	\$1.00
22	B6NHVW	30'	1957	63	\$1.00
23	B6NHTM	35'	1960	60	\$1.00
24	B6NHSH	35'	1960	60	\$1.00
25	CFS43X	40'	2010	10	\$1,102.40
26	D42YPA	35'	1957	63	\$1.00
27	B6NHPS	35'	1956	64	\$1.00
28	BQ5VHN	40'	2011	9	\$1,129.96
29	BQ5VEY	40'	2011	9	\$1,129.96
30	BQ59BX	40'	2011	9	\$1,129.96
31	BQ59CC	40'	2011	9	\$1,129.96
32	B6NJ5V	30'	1957	63	\$1.00
33	B898AC	40'	2006	14	\$992.16
34	B6NJ2G	30'	1957	63	\$1.00
35	B6NHYL	30'	1957	63	\$1.00
36	B6NHXG	30'	1957	63	\$1.00
37	BQ5GXH	45'	2011	9	\$1,403.02
38	BQ5GWC	45'	2011	9	\$1,403.02
39	BQ5VUA	45'	2011	9	\$1,403.02
40	B6NJPA	35'	1977	43	\$167.30
41	BKJ2MX	40'	2013	7	\$1,185.08
42	BKJ2NC	40'	2013	7	\$1,185.08
43	B6NJLG	30'	1957	63	\$1.00
44	B6NJJW	30'	1957	63	\$1.00
44 45	D33C9G	40'	2017	3	\$1,295.32
46	B6NK5Z	30'	1957	63	\$1,295.32
46 47	B6NK4U	30'		63	\$1.00
			1957		
48	B6NK2K	30'	1957	63	\$1.00
49	BFMD4V	40'	2011	9	\$1,129.96
50	B6NJZY	40'	1970	50	\$1.00
51	CVR7BJ	40'	2013	7	\$1,185.08

Total:			Total:	\$105,550.92	
93	B6NC8J	35'	1957	63	\$1.00
92	B6NC7D	40'	1980	40	\$275.60
91	B6NC6Y	35'	1957	63	\$1.00
90	CVR4WY	60'	2012	8	\$3,694.70
89	D3LQ2Y		2012	8	\$5,054.28
		70'			
88	D3LPYH	70'	2012	8	\$5,054.28
87	B6NK7J	30'	1965	55	\$1.00
86	B8997J	40'	2006	14	\$992.16
85	BKHVRE	35'	2013	7	\$1,027.70
84	BKHVSJ	40'	2013	7	\$1,185.08
83	BKHVTP	40'	2013	7	\$1,185.08
82	CFS2ZC	40'	1957	63	\$1.00
81	D5E7VF	45'	2019	1	\$1,676.78
80	ACLXCK	45'	2012	8	\$1,437.24
79	AGS6BC	45'	2014	6	\$1,505.68
78	ACLXAA	45'	1989	31	\$650.18
77	BKHVVY	40'	2013	7	\$1,185.08
76	BKHVWD	40'	2013	7	\$1,185.08
75 76	BKHVXJ	40'	2013	7	\$1,185.08
					\$1,185.08
73 74	BKHVYN	40'	2006	7	
73	B8993P	40'	2006	14	\$992.16
72	ACLXLD	40'	1986	34	\$440.96
71	ACLXKY	40'	1972	48	\$55.12
70	BQ5GKU	50'	1997	23	\$969.84
69	B6NK9T	55'	2002	18	\$1,919.36
68	BKHSTC	45'	2010	10	\$1,368.80
67	BKHSSX	45'	2010	10	\$1,368.80
66	BKHSRS	45'	2010	10	\$1,368.80
65	BKHSWR	45'	2010	10	\$1,368.80
64	BKHSQN	45'	2010	10	\$1,368.80
62 63	ACLWVX BMTLHG	50' 50'	1957 2019	63	\$1.00 \$1,760.08
61	CVE7MZ	55'	2012	8	\$2,519.16
60	CVR4XD	55'	2012	8	\$2,519.16
59	ACLWSJ	50'	1985	35	\$538.80
58	D3LR6W	65'	2017	3	\$4,923.72
57	D3LRET	70'	2016	4	\$5,535.64
56	D3LQPS	75'	2016	4	\$6,683.80
55	CXP5MC	55'	2018	2	\$2,879.04
53 54	D3C7SG	55'	2017	3	\$2,819.06
5 2	CXP5GY	40'	2018	2	\$1,322.88

Attachment - 2

Pole	Age and Size	Residual Value
AZNJDL	1989 / 45' / E+	\$926.00
CLE45D	2015 / 45' / E+	\$2,262.00
AZNS9S	1985 / 45' / E+	\$720.00
AZNS7J	1985 / 45' / E+	\$720.00
AZNS6D	1982 / 45' / E+	\$566.00
AZNRJV	1982 / 45' / E+	\$566.00
AZNNPJ	1987 / 45' / E+	\$823.00
AZNNHV	1987 / 45' / E+	\$823.00
	TOTAL	\$7,406.00

Attachment – 3

Work Location	Size/Age Pole	Residual Value			
C4RMJR	1993 45'	\$ 1,344.00			
C4RMKW	1993 45'	\$ 2,264.00			
C4RMLB	1991 40'	\$ 1,794.00			
C4RMMG	1993 45'	\$ 1,344.00			
C4RMNL	1994 40'	\$ 1,258.00			
C4RMPV	1993 45'	\$ 2,264.00			
C4RMQA	1993 40'	\$ 1,973.00			
C4RMUU	1990 40'	\$ 1,867.00			
BNHQDY	1984 45'	\$ 1,020.00			
	Total	\$ 15,128.00			

Attachment – 4

Pole	Description	Resid. Value	Extra Space	U	nit Costs
C4A2JP	1940s - 45'4 - Earth +	\$ 449.00)	\$	1.00
C4JVEE	1940s - 40'4 - Earth +	\$ 449.00)	\$	1.00
C4JVPH	1940s - 30'4 - Rock Mount	\$ 449.00)	\$	1.00
C4JVWQ	1988 - 50'3 - Earth +	\$ 1,584.00)	\$	1,135.00
C4JVQM	2007 - 50'3 - Earth +	\$ 2,933.00)	\$	2,484.00
C4JVYA	1995 - 45'3 - Earth +	\$ 1,854.00)	\$	1,405.00
C4JVZF	1973 - 35'4 - Earth +	\$ 492.00)	\$	43.00
C4JVAK	1973 - 35'4 - Earth +	\$ 492,00)	\$	43.00
C4JVGP	1973 - 30'4 - Earth +	\$ 495.00)	\$	46.00
C4JVFJ	1973 - 30'4 - Earth +	\$ 495,00)	\$	46.00
C4JWWU	1973 - 35'4 - Earth +	\$ 492.00)	\$	43.00
C4JVMS	1985 - 45'3 - Earth +	\$ 1,243.00)	\$	794.00
C4JVLN	1985 - 45'3 - Earth +	\$ 1,243.00)	\$	794.00
C4JG6Z	1985 - 45'3 - Earth +	\$ 1,243.00)	\$	794.00
C4JUFF	1981 - 40'4 - Earth +	\$ 941.00)	\$	492.00
C4JV8R	1985 - 40'4 - Earth +	\$ 1,160.00)	\$	711.00
C4JUVH	1981 - 45'3 - Earth +	\$ 999.00)	\$	550.00
C4JUWM	1985 - 45'5 - Earth +	\$ 1,243.00)	\$	794.00
C4JUYW	1951 - 30'5 - Earth +	\$ 449.00)	\$	1.00
D2XLDY	2016 - 45'3 - Earth +	\$ 3,137,00)	\$	2,688.00
C4JV2N	1951 - 35'5 - Earth +	\$ 449.00)	\$	1.00
C4JV3S	1981 - 45'3 - Earth +	\$ 999.00)	\$	550.00
C4JV4X	1984 - 40'4 - Earth +	\$ 1,105.00)	\$	656.00
C4JV5C	1984 - 40'4 - Earth +	\$ 1,105.00)	\$	656.00
C4JV7M	1969 - 40'5 - Earth +	\$ 449,00	1	\$	1.00
C4JFLB	1970 - 40'5 - Earth +	\$ 449.00)	\$	1.00
C4JFKW	1970 - 35'6 - Earth +	\$ 449.00	1	\$	1.00
C4A2DK	1970 - 40'5 - Earth +	\$ 449.00)	\$	1.00
C4A2CF	1970 - 40'5 - Earth +	\$ 449.00	1	\$	1.00
C4A2FU	1970 - 45'5 - Earth +	\$ 449.00	1	\$	1.00
	TOTAL CHARGES	\$ 28,194.00	\$ -	\$	14,735.00