

Hydro One Networks Inc.

8th Floor, South Tower
483 Bay Street
Toronto, Ontario M5G 2P5
www.HydroOne.com

Tel: (416) 345-5707
Fax: (416) 345-5866
Andrew.skalski@HydroOne.com

Andrew Skalski

Director – Applications
Regulatory Affairs



BY COURIER

October 9, 2008

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Re: Hydro One Networks' Request for Leave to Sell Distribution Assets to Michel Aumont Trailer Park

Hydro One Networks seeks the Board's approval under Section 86(1)(b) of *the Ontario Energy Board Act* ("*the Act*"), 1998, for leave to sell assets to Michel Aumont Trailer Park. 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*.

The assets being sold in this transaction are described in the attached Joint Agreement of Sale submission and are illustrated in the attached map. These assets are necessary in serving the public, and through analysis described in the attached Joint Agreement, it has been determined that there will be no impact on the rate payers or any other parties due to this transaction. There are no environmental issues associated with it, and the sale will not affect the safety, reliability, operational flexibility or economic efficiency of Hydro One Networks or Michel Aumont Trailer Park. Michel Aumont Trailer Park supports Hydro One Networks' request for the Board's approval of this sale without a hearing. The sale price is \$6,628.64 plus GST. This price covers the NBV of the assets.

The attachments contain the Joint Agreement of Sale submission. Should you have any questions on this application, please contact Yoon Kim at (416) 345-5228.

Respectfully submitted,

ORIGINAL SIGNED BY ANDREW SKALSKI

Attachment

Ontario Energy Board

Preliminary Filing Requirements for Applications Under Section 86(1)(b) of the *Ontario Energy Board Act, 1998*

INSTRUCTIONS:

The Ontario Energy Board (the "Board") has established this form under section 13 of the *Ontario Energy Board Act, 1998* (the "Act") and requires that a proceeding under section 86(1)(b) of the Act be commenced by filing this form. 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.

All applicants must complete and file the information requested in this form.

For applications involving leasing arrangements, the "Preliminary Filing Requirements for Applications Under Section 86 of the *Ontario Energy Board Act, 1998*", form is required. For transactions involving a non-licensed entity, please contact Market Operations at market.operations@oeb.gov.on.ca for further guidance.

PART I: IDENTIFICATION OF THE PARTIES

1.1 Applicant

Name of Applicant Hydro One Networks Inc.	File No: (Board Use Only)	
Address of Head Office 483 Bay St. Toronto TCT08 M5G 2P5	Telephone Number 416-345-5228	
	Facsimile Number 416-345-5866	
	E-mail Address Yoon.Kim@HvdroOne.com	
Name of Individual to Contact Yoon Kim Applications Analyst - Regulatory Affairs	Telephone Number Same as above	
	Facsimile Number Same as above	
	E-mail Address Same as above	

1.2 Other Parties to the Transaction

If more than one attach list

Name of Other Party Michel Aumont Trailer Park		File No: (Board Use Only)	
Address of Head Office 151 Russell Road, Hammond Ontario, K0A 2A0		Telephone Number 613-240-8483	
		Facsimile Number	
		E-mail Address	
Name of Individual to Contact Michel Aumont		Telephone Number 613-487-2823 (home)	
		Facsimile Number	
		E-mail Address	
1.2.1	<p>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?</p> <p>The recipient is not a licensed distributor. While Section 57 of the OEB Act (“the Act”) requires a distributor to hold a licence, section 4.0.1(1)(b) of the Ontario Regulation 161/99 provides an exemption to Section 57 of the Act for a distribution system owned or operated by the distributor that is entirely located on land owned or leased by the distributor. As such, since the assets to be sold are entirely on land owned by the recipient, Michel Aumont Trailer Park would be exempted from Section 57 of the Act.</p>		

PART II: DESCRIPTION OF THE ASSETS TO BE TRANSFERRED

2.1	<p>Please attach a description of the assets that are the subject of the proposed transaction.</p> <p>The subject assets being sold are 2 transformers that are installed on poles already owned by the purchaser.</p>	
2.2	<p>Please indicate where the assets are located – whether in the applicant’s service territory or in the proposed recipient’s service territory (if applicable). Please include a map of the location.</p> <p>The assets are located on the recipient’s property within an intermittent occupancy trailer park. The municipal address is 4304 Champlain Road, Bourget, ON, K0A 1E0 (Please see the red circle in the attached map). Bourget is located south and east of Ottawa. The map is found in Attachment 2.</p>	

2.3	<p>Are the assets surplus to the applicant's needs? If yes, please indicate why, and since when.</p> <p>The assets are not "surplus"; however, as filed in EB-2007-0681 (Exhibit G2, Tab 96, and Schedule 1 pg. 16), Hydro One's Conditions of Service do not permit the expansion of seasonal trailer park loads served from secondary central meter services. It is specifically stated that trailer parks should be supplied by a primary service. To facilitate trailer parks that are seasonal/intermittent and wishing to add loads, such as Michel Aumont Trailer Park, it is Hydro One's policy to sell low value assets to the trailer parks seeking to expand their service. This brings older parks into line with the Conditions of Service applied to new parks that connect today. Sale of these items will have no impact on Hydro One's operations or on other customers.</p>	
2.4	<p>Are the assets useful to the proposed recipient or any other party in serving the public? If yes, please indicate why.</p> <p>The assets are useful only to serve customers of the trailer park.</p>	
2.5	<p>Please indicate which utility's customers are currently served by the assets.</p> <p>The assets currently serve a Hydro One customer.</p>	
2.6	<p>Please indicate which utility's customers will be served by the assets after the transaction and into the foreseeable future.</p> <p>The assets will continue to serve the same Hydro One customer. After sale, the assets will be owned by the customer instead of the utility, but there is no change in supply utility.</p>	

PART III: DESCRIPTION OF THE PROPOSED TRANSACTION

3.1	<p>Please indicate if the proposed transaction will be a sale, lease or other (please specify).</p> <p>Sale of operating plant.</p>	
3.2	<p>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.</p> <p>This is a cash sale. The sale price is \$6,628.64 plus GST. The sale price is the net book value of the assets.</p>	
3.3	<p>Would the proposed transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties? If yes, please specify how.</p> <p>No.</p>	
3.4	<p>Would the proposed transfer impact distribution or transmission rates of the applicant? If yes, please specify how.</p> <p>No, any impact on rates will not be material.</p>	
3.5	<p>Will the transaction adversely affect the safety, reliability, quality of service, operational flexibility or economic efficiency of the applicant or the proposed recipient? If yes, please specify how.</p> <p>No.</p>	

PART IV: WRITTEN CONSENT/JOINT AGREEMENT

4.1	<p>Please provide the proposed recipient's written consent to the transfer of the assets by attaching either</p> <p>(a) a letter from the proposed recipient consenting to the transfer of the assets OR</p> <p>(b) a letter or proposed sale agreement jointly signed by the applicant and the proposed recipient agreeing to the transfer of the assets OR</p> <p>(c) the proposed recipient's signature on the application.</p> <p>(a) Letter is found in Attachment 1.</p>	
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PART V: REQUEST FOR NO HEARING

5.1	<p>Does the applicant request that the application be determined by the Board without a hearing? If yes, please provide</p> <p>(a) an explanation as to how no person, other than the applicant and the proposed recipient, will be adversely affected in a material way by the outcome of the proceeding AND</p> <p>(b) the proposed recipient's written consent to the disposal of the application without a hearing.</p> <p>(a) The line serving the park is at the end of a line section that terminates at the customer's site. The transfer of ownership will have no effect on any other customers connected upstream of the site. There will be no changes in the operation of the feeder, therefore no change in service to other customers or persons.</p> <p>(b) Letter is found in Attachment 1</p> <p>Therefore, we ask that the Board dispose of this proceeding without a hearing under section 21(4)(b) of the Act.</p> <p>Signed: <u>ORIGINAL SIGNED BY ANDREW SKALSKI</u> Andrew Skalski, Director – Applications Hydro One Networks Inc.</p>	
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PART VI: OTHER INFORMATION

It is the sole responsibility of the Applicant to provide all information that is relevant and that would assist the Board in making a determination in this matter. Failure to provide key information may result in a delay in the processing of the application or in the denial of the application.

How to Contact the Ontario Energy Board:

The Ontario Energy Board is located at:

P.O. Box 2319
2300 Yonge Street, Suite 2701
Toronto, ON
M4P 1E4

Telephone:
Toll Free Number:
Fax:
Website:
Board Secretary's email:

416-481-1967
1-888-632-6273
416-440-7656
<http://www.oeb.gov.on.ca>
boardsec@oeb.gov.on.ca

ATTACHMENT 1- Letters

Date July 7, 2008

Mr Michael Aumont
151 Russell Rd
Hamond On
K0A 1A0

Re: 4304 Champlain St N

Dear Mr Aumont

This letter is to advise you of the progress that is being made regarding the sale of Hydro One assets at 4304 Champlain St N, Clarence, Ontario

Based on your response to our initial letter, you have elected to purchase all assets excluding meters.

Within the Champlain trailer park there are 2 transformers with a net book value of \$6,628.64 for a total purchase price of \$ 6,960.07

Please sign below indicating your intention to purchase the assets as noted above, and return to us in the self addressed envelope. Upon receipt of the signed letter, we will proceed to obtain approval from the Ontario Energy Board.

After official approvals have been obtained, the Champlain Trailer Park will proceed with the installation of their own load break switch and bring the electrical system within the park up the Electrical Safety Inspection standards, if required, as noted by the report completed by ESA. Hydro One will install a primary metering unit, to meter the park .

Mr Michael Aumont agrees to purchase 2 transformers now owned by Hydro One, with the boundaries of the 4304 Champlain St N for a total price 6628.64 +GST

Signature of XX Representative

Michel Aumont
Name (please print)

Michel Aumont
Signature

2 sept 2008
Date

Thank you for your co-operation in this matter.

Sincerely,

CFT Cindy Moore
Zone 4

Enc - duplicate copy of letter
return envelope



September 18, 2008

Hydro One Networks Inc.
TCT 13 B6
483 Bay Street
Toronto, Ontario
M5G 2P5

Re: Michel Aumont (4304 Champlain St N)

It is our understanding that approval is required by the Ontario Energy Board (OEB) for the sale of assets by Hydro One. **Michel Aumont** fully supports Hydro One's actions with the Board to obtain approval of this minor transaction without a hearing.

We would like to expedite this process as ownership of the assets enables us to complete work on the campground.

Furthermore, no other party would be affected by this sale. Therefore, we would appreciate an approval of this transaction as soon as possible.

Thank-you for your assistance in this matter.

<u>Michel Aumont</u>	<u></u>	<u>25 sept 2008</u>
Name Owner	Signature	Date

_____	_____	_____
Name Owner	Signature	Date

Park Name Michel Aumont 4304 Champlain St N
Address 151 Russell Rd
Address Hammond On
K0A 2A0

ATTACHMENT 2- Maps

LEGEND	
SYMBOL	DESCRIPTION
	3Ø PRIMARY (4.8/8.32 kV)
	2Ø PRIMARY
	1Ø PRIMARY
	1234 SWITCHING VAULT
	456LL7 OPENER & NUMBER
	2345 SWITCH, NUMBER & FUSE SIZE
	1254 AIR BREAK SWITCH
	4444 LOAD BREAK SWITCH
	3456 RECLOSER, NUMBER, TYPE & SIZE
	4H, B13 RABBIT - STEP DOWN TRANSFORMER
	CAPACITOR
	METERING UNIT
	OPEN POINT
	UNDERGROUND CABLE
	D.S. NAME DISTRIBUTION STATION
	12345 SINGLE REGULATOR & SIZE
	2-2-2-2-2 2-PHASE REGULATOR & SIZE
	3-3-3-3-3 3-PHASE REGULATOR & SIZE

