



Ontario  
Energy  
Board | Commission  
de l'énergie  
de l'Ontario

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## **DECISION AND ORDER**

**EB-2024-0252**

### **HYDRO ONE NETWORKS INC.**

**Application for leave to sell distribution assets to Alectra Utilities Inc.**

**BY DELEGATION, BEFORE: Brian Hewson**  
Vice President,  
Consumer Protection & Industry Performance

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**October 22, 2024**

## DECISION AND ORDER

Hydro One Networks Inc. (Hydro One) filed an application with the Ontario Energy Board (OEB) on August 13, 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 Alectra Utilities Inc. (Alectra).

The assets that are the subject of the proposed transaction includes 58 poles, 10.35 km conductor and a set of in-line switches (subject assets),<sup>1</sup> which are located on Highway 50, between Nashville Road and Rutherford Road in Brampton, 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.

Hydro One has stated that the subject assets are located within the service territory of Alectra and that the subject assets have the potential to connect new customers of Alectra. Further, the application notes that “Alectra intends to service customers from this feeder after the assets are transferred.” Also, the application notes that no customers are currently being served by the subject assets.

In its application, Hydro One has stated that Bell Canada is a joint user of 34 of the 58 poles, which are part of the subject assets. The evidence filed by Hydro One confirms Bell Canada’s consent to waive its right to purchase the afore-mentioned 34 poles and proceed with the sale of these poles to Alectra. Also, Alectra has consented to purchase the subject assets through a consent letter filed as part of the application.

The applicant has 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 has stated that there will be no impact on Hydro One’s distribution rates as a result of the sale of the subject assets.

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<sup>1</sup> The applicant has identified the set of in-line switches as C381.

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 \$61,099.82 inclusive of HST. The applicant’s evidence notes that the set of in-line switches are part of the sale of the 10.35 km conductor. As such, the valuation of the in-line switches is included in the valuation of the conductor. The sale price represents the net book value of the subject assets and an additional 10%, which is an estimate to cover the incremental costs and expenses incurred for carrying out the sale.

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 Alectra.

**IT IS ORDERED THAT:**

1. Hydro One Networks Inc. is granted leave to sell 58 poles, 10.35 km conductor and a set of in-line switches described in the Attachment to this Order, which are located on Highway 50, between Nashville Road and Rutherford Road in Brampton, Ontario to Alectra Utilities Inc.

**DATED** at Toronto October 22, 2024

**ONTARIO ENERGY BOARD**

Brian Hewson  
Vice President, Consumer Protection & Industry Performance

Attachment 1: Asset List

### Attachment 1 – Asset List

| Conductor        | Length   | Residual Value |
|------------------|----------|----------------|
| Kleinburg TS M26 | 10.35 km | \$27,675.46    |

| Pole                                                                                                                                                       | Age  | Quantity | Residual Value     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|------|----------|--------------------|
| AERUZF, ARTGK, AERTEA, AERTBL,<br>AERTAG, AERT5Y, AERT9S, AERT4T,<br>AERSWJ, AERSXN, AERT3P, AERT2J,<br>AERSZX, AERSYS, AERFMK, AERFLF,<br>AERSVD          | 1980 | 17       | \$2,220.03         |
| AERFHL, AERFJV, AERFGG, AERFKA,<br>AERFNP, AERFPZ, AERFQE, AERFRZ,<br>AERPJJ, AERURR, AERUSW,<br>AERUUG, AERUVL, AES4JE, AES4LP,<br>AES4MT, AES4KJ, AES4NY | 1982 | 18       | \$3,096.40         |
| AES4PJ, AES4XW, AES4YB, AES4ZG                                                                                                                             | 1985 | 4        | \$1,312.99         |
| AES52S, AES53X, AES54C, AES5K                                                                                                                              | 1986 | 4        | \$1,277.52         |
| AERV5G, AERV4B, AERV3W,<br>AERTHP, AERTFF                                                                                                                  | 1990 | 5        | \$3,161.41         |
| AES4BQ, AES5VQ, AES5TG, AES5UL                                                                                                                             | 1993 | 4        | \$5,097.40         |
| AEPXHZ                                                                                                                                                     | 1995 | 1        | \$487.61           |
| AERV2R, AERTJZ, AERTDV, D2HV8J                                                                                                                             | 1999 | 4        | \$4,814.49         |
| D2HUVY                                                                                                                                                     | 2009 | 1        | \$4,927.33         |
| <b>TOTAL</b>                                                                                                                                               |      |          | <b>\$26,395.18</b> |