



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

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# **DECISION AND ORDER**

## **EB-2024-0343**

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

### **HALTON HILLS HYDRO INC.**

**Joint Application for Elimination of Load Transfer  
Arrangements**

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

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**July 8, 2025**

## INTRODUCTION AND SUMMARY

Hydro One Networks Inc. (Hydro One) and Halton Hills Hydro Inc. (Halton Hills) have jointly applied to the Ontario Energy Board (OEB) for approval to amend the service areas of both distributors to end existing long-term load transfer (LTLT) arrangements between the two distributors. A LTLT arrangement is a situation in which a customer located in the licensed service area of one distributor (the geographic distributor) is physically served by another distributor (the physical distributor).

The application is granted for the reasons set out in this Decision and Order.

This Decision and Order is being issued without a hearing by Delegated Authority, pursuant to Section 6(4) of the *Ontario Energy Board Act, 1998* (the Act).

## THE APPLICATION

Hydro One and Halton Hills (collectively, the Applicants) filed a joint application on January 8, 2025, under sections 74 and 86(1)(b) of the Act. In this application, Hydro One seeks to transfer 3 customers to Halton Hills, 2 of which are “Residential” and 1 is a “General Service” customer. Halton Hills seeks to transfer 11 “Residential” customers to Hydro One. Halton Hills also requests the OEB’s approval to sell the distribution assets servicing these customers to Hydro One for \$1251.25 plus applicable taxes. Hydro One also requested approval to record any rate mitigation for customers being transferred to it in Account 1508, Other Regulatory Assets, Sub-account Bill Impact Mitigation Deferral Account.

The application was filed pursuant to the Distribution System Code (DSC) amendments made by the OEB in EB-2015-0006 regarding the elimination of LTLT arrangements and in accordance with the OEB’s filing guidelines for combined service area amendments and sale of assets. On December 21, 2015, the DSC was further amended to require distributors to eliminate all LTLT arrangements by June 21, 2017, and section 6.5.6 was amended to prohibit distributors from entering into any new LTLT arrangements. In 2017, the Applicants jointly applied to eliminate the LTLT arrangements between the two distributors. The OEB issued a [Decision and Order](#) (EB-2017-0199) approving the application on June 29, 2017.

The Applicants have filed this application to seek approval to amend their service areas to end certain remaining LTLT arrangements that were missed in the 2017 joint application. The Applicants explained that during routine outage calls, both Hydro One and Halton Hills identified customers who were connected on a shared Hydro One feeder, who had not been set up as load transfer customers and did not have a

settlement plan implemented with the distributors. As a result, these customers had not been identified as LTLT customers at the time of the 2017 LTLT application.

On December 11, 2025, the OEB issued an application letter notifying Hydro One and Halton Hills that it had commenced the processing the application for a service area amendment and asset sale. Upon further review of the application, OEB staff observed that Hydro One and Halton Hills did not notify potentially affected customers of the application prior to submitting the application. Section 1.4.6 of the Service Area Amendment (SAA) application form requires an applicant to “provide written confirmation that all affected persons have been provided with specific and factual information about the service area amendment(s)”. The SAA form is clear that customer notification must precede the OEB’s decision on the application.

On March 26, 2025, the OEB issued a letter to Hydro One and Halton Hills notifying the Applicants that the potentially affected customers were not notified prior to the application being submitted to the OEB. OEB requested Hydro One and Halton Hills provide written notification to the OEB, in accordance with section 1.4.6 of the SAA application form, that all affected persons have been provided with specific and factual information about the service area amendment by May 26, 2025.

On May 1, 2025, Hydro One and Halton Hills provide written confirmation to the OEB, that all affected customers had been notified.

The Applicants submit that no assets will be stranded, if the application is approved.

## **FINDINGS**

The OEB finds it to be in the public interest to approve the service area amendments and sale of assets as proposed by the Applicants in order to eliminate the load transfer arrangements between Hydro One and Halton Hills, in accordance with the OEB’s policy and DSC provisions. Halton Hills’ licence will be amended to reflect the proposed transfer of the affected customers. Given the manner in which Schedule 1 of Hydro One’s license is presented, Hydro One’s licence will not need to be amended.

As prescribed in section 6.5.4 of the DSC, the affected Residential and General Service customers moving from Halton Hills to Hydro One shall receive a monthly bill credit to offset the increase in delivery charges. The credit shall be calculated using each customer’s average monthly consumption over the most recent 12 months from the application filing date with the OEB. The credit shall be fixed at this calculated level and remain in place as long as the customer remains the account holder. The OEB will allow Hydro One to record the costs associated with this application in Account 1508, Other Regulatory Assets, Sub-account Bill Impact Mitigation Deferral Account. The disposition

of the deferral account will be subject to an OEB determination of prudence, which will occur in the rate setting process.

The Residential and General Service customers being transferred from Hydro One to Halton Hills will see a reduction in their monthly delivery charges and, therefore, no mitigation is required for these customers.

Hydro One and Halton Hills are reminded that both distributors are required to ensure that all relevant customer information including, but not limited to, information regarding security deposits and consumption is properly transferred to the physical distributor to allow for the continuous billing of customers and the continuous application of Ontario Electricity Support Program (OESP) rate assistance to the bills of eligible customers.

**IT IS ORDERED THAT:**

1. Hydro One Networks Inc. is granted approval to transfer the 3 customers identified in the application to Halton Hills Hydro Ltd.
2. Halton Hills Hydro Ltd. is granted approval to transfer the 11 customers identified in the application to Hydro One Networks Inc.
3. Schedule 1 of Halton Hills Hydro Ltd.'s Electricity Distribution Licence (ED-2002-0552) is amended. The amended licence is attached to this Decision and Order.
4. Halton Hills Hydro Ltd. is granted leave to sell assets listed in Schedule A (Table 1) to Hydro One Networks Inc.

**DATED** at Toronto July 8, 2025

**ONTARIO ENERGY BOARD**

Brian Hewson  
Vice President, Consumer Protection and Industry Performance

**SCHEDULE A**

The assets being transferred between Halton Hills and Hydro One are listed below:

Table 1 - List of assets being sold by Halton Hills to Hydro One

<b>Asset Type</b>	<b>Count</b>
Poles	
Transformers	4
Primary Wire and Neutral (m)	16
Secondary Buss (m)	-
Secondary O/H Wire (m)	-
Secondary U/G Wire (m)	73
Current Transformers	-
Sentinel Lights	-
Easements	-
<b>Total (\$) before applicable taxes</b>	<b>\$1251.25</b>