

Hydro One Networks Inc.

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Andrew Skalski

Director – Applications
Regulatory Affairs



BY COURIER

March 4, 2009

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

Dear Ms. Walli:

Hydro One Networks' Request for Leave to Sell Distribution Assets to 1270733 Ontario Inc. doing business as Cedar Shade Campground ("1270733 Ontario")

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 1270733 Ontario. 1270733 Ontario owns and operates a trailer park near Alfred, Ontario. 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 1270733 Ontario. 1270733 Ontario supports Hydro One Networks' request for the Board's approval of this sale without a hearing. The sale price is \$3,952.57 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.

Sincerely,

ORIGINAL SIGNED BY ANDREW SKALSKI

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@HydroOne.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 1270733 Ontario Inc.		File No: (Board Use Only)	
Address of Head Office Cedar Shade Campground 1540 Concession 5 Alfred, ON K0B 1A0		Telephone Number 613-679-4447	
		Facsimile Number	
		E-mail Address	
Name of Individual to Contact Mr. Sylvain Peladeau		Telephone Number 613-679-7681 (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 <i>OEB Act</i> (“<i>the Act</i>”) requires a distributor to hold a licence, section 4.0.1(1)(b) of Ontario Regulation 161/99 provides an exemption to Section 57 of <i>the Act</i> 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, 1270733 Ontario Inc. doing business as Cedar Shade Campground (“1270733 Ontario”) would be exempted from Section 57 of <i>the Act</i>.</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 assets to be sold consist of one distribution transformer installed on a customer owned pole at the service location.</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 at 1540 Concession 5, Alfred, ON. (Please see Attachment 2 –Map)</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</p>	

	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 1270733 Ontario, 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.	
2.4	Are the assets useful to the proposed recipient or any other party in serving the public? If yes, please indicate why. The assets are useful only to serve customers of the trailer park.	
2.5	Please indicate which utility's customers are currently served by the assets. The assets currently serve a Hydro One customer.	
2.6	Please indicate which utility's customers will be served by the assets after the transaction and into the foreseeable future. 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.	

PART III: DESCRIPTION OF THE PROPOSED TRANSACTION

3.1	Please indicate if the proposed transaction will be a sale, lease or other (please specify). Sale of operating plant. The proposed transaction is a sale of plant, specifically 1 pole mounted distribution transformer.	
3.2	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. This is a cash sale. The sale price is \$3,952.57 plus GST. The sale price covers the net book value of the assets.	
3.3	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. No.	
3.4	Would the proposed transfer impact distribution or transmission rates of the applicant? If yes, please specify how. No, any impact on rates will not be material.	
3.5	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. No.	

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 terminates at the customer’s site. The transfer of ownership will have no effect on any other customers connected to the feeder. 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: _____</p> <p style="text-align: center;">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: 416-481-1967
Toll Free Number: 1-888-632-6273
Fax: 416-440-7656
Website: <http://www.oeb.gov.on.ca>
Board Secretary’s email: boardsec@oeb.gov.on.ca

ATTACHMENT 1- Letters



February 12, 2009

1270733 Ontario Inc.
Attn: Sylvain Peladeau
1540 Concession 5
Alfred, ON
K0B 1A0

Re: 1270733 Ontario Inc , doing business as Cedar Shade Campground

Dear Mr. Peladeau

This letter is to advise you of the progress that is being made regarding the sale of Hydro One assets in the Cedar Shade Campground.

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

Within the Cedar Shade Campground, there is 1 transformer with a net book value of \$3952.57 for a purchase price of \$3952.57 + GST (effective April 1, 2009)


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 Cedar Shade Campground 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.

The officer/secretary of 1270733 Ontario Inc., Sylvain Peladeau, agrees to purchase 1 transformer now owned by Hydro One, with the boundaries of the Cedar Shade Campground for \$3952.57 plus \$197.62 GST, for a total **\$4150.19**.

Signature of Sylvain Peladeau, Representative

Sylvain PELADEAU
Name (please print)


Signature

Feb/17/09
Date

Thank you for your co-operation in this matter.

Sincerely,



Clare Don
Lines Customer Support Clerk
Zone 4

Enc – duplicate copy of letter
return envelope



February 11, 2009

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

Re: 1270733 Ontario Inc., doing business as Cedar Shade Campground

It is our understanding that approval is required by the Ontario Energy Board (OEB) for the sale of assets by Hydro One. 1270733 Ontario Inc., doing business as Cedar Shade Campground 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.

Sylvain PELADEAU
Name Owner

[Signature]
Signature

Feb/17/09
Date

Name Owner

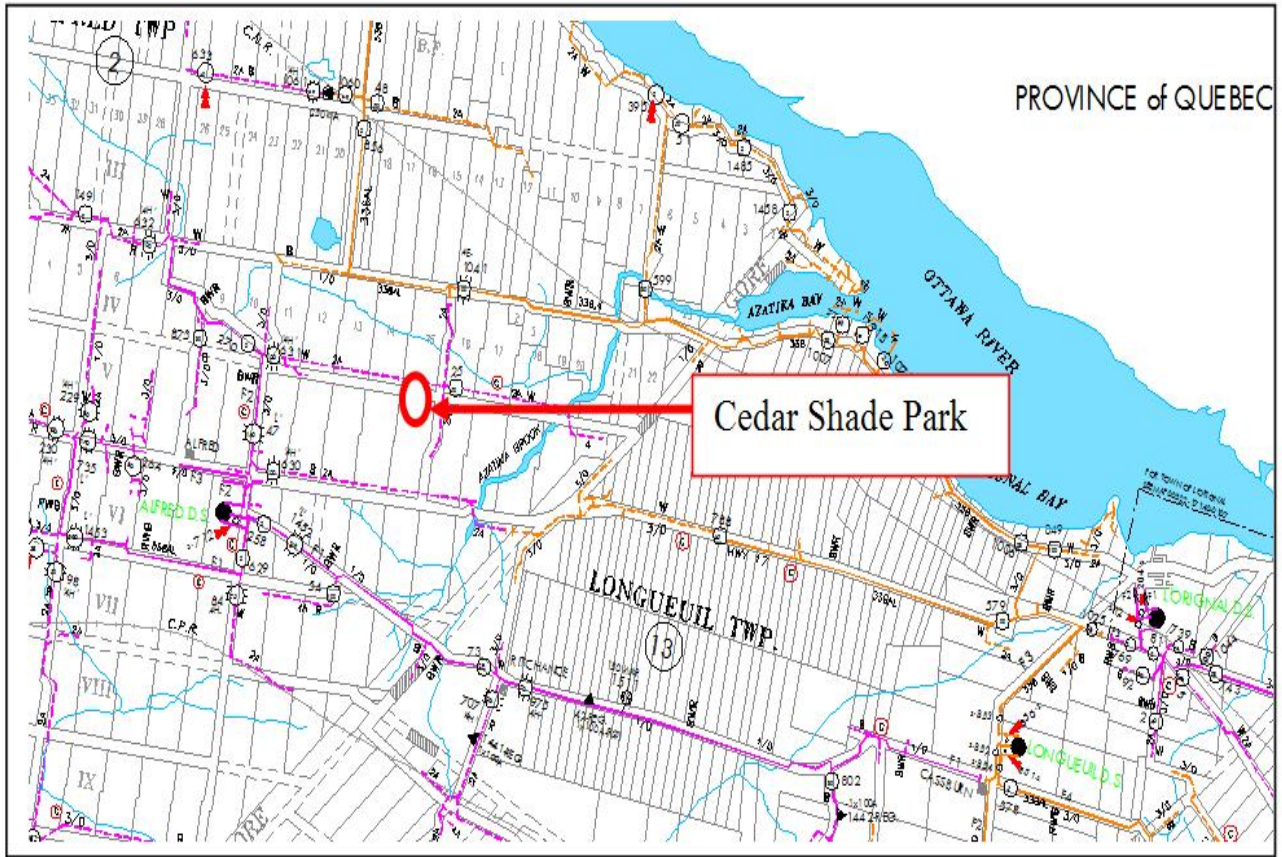
Signature

Date

1270733 Ontario Inc.
Cedar Shade Campground
1540 Concession 5
Alfred, Ontario
K0B 1A0

ATTACHMENT 2- Map

Map Showing Location of Cedar Shade Trailer Park



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
	RABBIT - STEP DOWN TRANSFORMER
	CAPACITOR
	METERING UNIT
	OPEN POINT
	UNDERGROUND CABLE
	D.S. NAME DISTRIBUTION STATION
	▲ 2345 SINGLE REGULATOR & SIZE
	▲▲ 2345 2-PHASE REGULATOR & SIZE
	▲▲▲ 2345 3-PHASE REGULATOR & SIZE