



EB-2010-0149

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c. 15, Schedule B;

AND IN THE MATTER OF an application pursuant to
section 86(1)(b) of the *Ontario Energy Board Act*, 1998
by Hydro One Networks Inc. seeking an order granting
Hydro One Networks Inc. leave to sell distribution
assets to Bell Canada

By delegation, before: Jennifer Lea

DECISION AND ORDER

On March 24, 2010, Hydro One Networks Inc. ("Hydro One") filed an application with the Ontario Energy Board under section 86(1)(b) of the *Ontario Energy Board Act*, 1998 (the "Act") for an order granting Hydro One leave to sell certain distribution assets to Bell Canada.

The Board assigned filed number EB-2010-0149 to the application. The assets being sold in this transaction consist of eight poles located in the city of Ottawa.

Findings

Hydro One requested with Bell Canada's consent that the Board dispose of this matter without a hearing under section 21(4)(b) of the Act. I find, based on the evidence filed in the application, that no person will be adversely affected in a material way by the outcome of this proceeding. I have therefore disposed of this matter without a hearing.

Section 86(1)(b) of the Act provides that leave of the Board is required before 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 purpose of the proposed transaction is to maintain the ownership balance between Hydro One and Bell Canada. As part of the Joint Use Agreement, the ownership split of the joint use poles is 60% and 40% for Hydro One and Bell based upon respective usage of the poles.

After the proposed transaction, Bell Canada will own the assets and be responsible for maintaining them. The assets will continue to supply the load to existing customers. The applicant states that there are no environmental issues and the transaction will not adversely affect the safety, reliability, quality of service, operational flexibility or economic efficiency of Hydro One or Bell Canada. As well, the applicant states that there will be no material impact on Hydro One ratepayers as a result of this sale.

Hydro One requires extra height for their attachments on four poles beyond the normal pole space of ten feet. The cost per pole is \$227. For the required four poles, the total cost is \$908. As the sale price is based on the residual value tables of the Joint Use Agreement, the assets will be sold at \$15,203 less \$908 (to cover the cost of extra space beyond a normal pole required by Hydro One) plus GST.

I find 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 assets described above to Bell Canada.

IT IS ORDERED THAT

Hydro One Networks Inc. is granted leave to sell to Bell Canada eight poles that consist of five 55 ft. Class 2 poles, two 60 ft. Class 2 poles, and one 40 ft. Class 4 pole. The assets are located at the intersection of Trim Road at North Service Road and continue 440 m west to civic address 8865 North Service Road, located at Lot 30, Concession – 1 Old Survey, in the former Township of Cumberland, now the city of Ottawa.

ISSUED at Toronto, June 4, 2010

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea
Counsel, Special Projects