



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

DECISION AND ORDER

EB-2016-0009

HYDRO ONE NETWORKS INC.

Application for the extension of an interim distribution licence issued in relation to distribution assets serving the Cat Lake community.

BY DELEGATION, BEFORE: **Peter Fraser**
Vice President,
Industry Operations & Performance

January 22, 2016

DECISION AND ORDER

Hydro One Networks Inc. (Hydro One) currently holds an interim licence issued by the Ontario Energy Board (OEB) under section 59(2) of the *Ontario Energy Board Act, 1998* (the OEB Act) under which Hydro One has possession and control over distribution assets that serve the Cat Lake community, specifically the deemed distribution assets owned by Cat Lake Power Utility Ltd. and the distribution assets in the Cat Lake community owned by the Ontario Electricity Financial Corporation. The interim licence was first issued by the OEB on July 21, 2006 (proceeding EB-2006-0180), and its term has since been amended and extended as described in Appendix 2.

On January 14, 2016, Hydro One provided the OEB with a written update on the status of its operations under the interim licence. I am satisfied that Hydro One's management and operation of the distribution assets supplying Cat Lake and the associated businesses will help ensure the continued reliability of supply to consumers in that community.

In its July 21, 2008 Decision and Order on this matter, the OEB noted that interim orders have been issued under section 59 of the Act since July 2006. The OEB further noted that in its view, the provisions of section 59 of the Act were intended to be emergency provisions; the provisions were not meant to be used as long-term solutions to operational problems. In its status report dated October 15, 2013, Hydro One stated that Hydro One Remote Communities Inc. (Remotes) is expecting to file a MAADs application to include Cat Lake in Remotes' service territory, however the application has not yet been filed. Since then, the OEB has not received any updates on the status of the MAADs application apart from the statement that the application will be filed once an agreement with the community has been reached and required government approvals have been secured. In its next status report, Hydro One is directed to describe what has been secured to-date and what is still outstanding with respect to the necessary agreements and approvals, and provide expected timelines for filing the MAADs application.

As no long-term solution has yet been brought forward to the OEB, I find it necessary to extend the term of Hydro One's interim licence to ensure the continuity of reliable electricity supply to consumers in the Cat Lake community.

IT IS ORDERED THAT:

1. The term of interim electricity distribution licence ED-2006-0181 is extended for a further period of three months to April 23, 2016. The interim electricity distribution licence set out in Appendix 1, is effective as of January 22, 2016.
2. Hydro One Networks Inc. continue to remain in possession and control of the deemed distribution assets owned by Cat Lake Power Utility Ltd. and the distribution assets in the Cat Lake community that are owned by the Ontario Electricity Financial Corporation, and continue to comply with the provisions of the interim licence set out in Appendix 1.
3. Hydro One Networks Inc. continue collecting revenue from the existing customers in the Cat Lake community based on the applicable rates.
4. Hydro One Networks Inc. continue keeping track of revenues from the customers in the Cat Lake community and of the costs of operation and maintenance of the distribution assets in a deferral account (under the Uniform System of Accounts). Such accounts will be reviewed in a future rate proceeding. The OEB will determine at that point the cost responsibility in the event of a shortfall and the mechanism for that shortfall recovery.
5. Cat Lake Power Utility Ltd. continue surrendering possession and control of the deemed distribution assets and associated business. Cat Lake Power Utility Ltd. is not entitled to any compensation from the Crown, the OEB or any person for having surrendered possession and control of its deemed distribution assets and business.
6. Ontario Electricity Financial Corporation continue surrendering possession and control of the distribution assets and associated business serving the community of Cat Lake. The Ontario Electricity Financial Corporation is not entitled to any compensation from the Crown, the OEB or any person for having surrendered possession and control of its distribution assets and business.

DATED at Toronto January 22, 2016

ONTARIO ENERGY BOARD

Original signed by

Peter Fraser
Vice President, Industry Operations & Performance

Appendix "1"

Interim Distribution Licence
as extended

Effective January 22, 2016

ONTARIO ENERGY BOARD

Appendix “2”

The interim licence was issued by the OEB on July 21, 2006 (proceeding EB-2006-0180), and its term has since been amended and extended as described below:

1. first to January 21, 2007 (proceeding EB-2006-0239);
2. then to April 21, 2007 (proceeding EB-2007-0004);
3. then to July 21, 2007 (proceeding EB-2007-0107);
4. then to October 21, 2007 (proceeding EB-2007-0653);
5. then to January 21, 2008 (proceeding EB-2007-0808);
6. then to April 21, 2008 (proceeding EB-2008-0005);
7. then to July 21, 2008 (proceeding EB-2008-0086);
8. then to October 21, 2008 (proceeding EB-2008-0262);
9. then to January 21, 2009 (proceeding EB-2008-0334);
10. then to April 21, 2009 (proceeding EB-2009-0017);
11. then to July 21, 2009 (proceeding EB-2009-0109);
12. then to October 21, 2009 (proceeding EB-2009-0285);
13. then to January 21, 2010 (proceeding EB-2009-0366);
14. then to April 21, 2010 (proceeding EB-2010-0006);
15. then to July 21, 2010 (proceeding EB-2010-0163);
16. then to October 21, 2010 (proceeding EB-2010-0242);
17. then to January 21, 2011 (proceeding EB-2010-0309);
18. then to April 21, 2011 (proceeding EB-2011-0012);
19. then to July 21, 2011 (proceeding EB-2011-0108);
20. then to October 20, 2011 (proceeding EB-2011-0267);
21. then to January 21, 2012 (proceeding EB-2011-0364);
22. then to April 23, 2012 (proceeding EB-2012-0016);
23. then to July 23, 2012 (proceeding EB-2012-0208);
24. then to October 23, 2012 (proceeding EB-2012-0315);
25. then to January 23, 2013 (proceeding EB-2012-0407);
26. then to April 23, 2013 (proceeding EB-2013-0005);
27. then to July 23, 2013 (proceeding EB-2013-0097);
28. then to October 23, 2013 (proceeding EB-2013-0267);

29. then to January 23, 2014 (proceeding EB-2013-0358);
30. then to April 23, 2014 (proceeding EB-2014-0018);
31. then to July 23, 2014 (proceeding EB-2014-0161);
32. then to October 23, 2014 (proceeding EB-2014-0241);
33. then to January 23, 2015 (proceeding EB-2014-0318);
34. then to April 23, 2015 (proceeding EB-2015-0013);
35. then to July 23, 2015 (proceeding EB-2015-0160) ; and
36. then to October 23, 2015 (proceeding EB-2015-0222).
37. then to January 23, 2016 (proceeding EB-2015-0282)