

**Hydro One Networks Inc.**

7<sup>th</sup> Floor, South Tower  
483 Bay Street  
Toronto, Ontario M5G 2P5  
www.HydroOne.com

Tel: (416) 345-5707  
Fax: (416) 345-5866  
Andrew.skalski@HydroOne.com



**Andrew Skalski**

Director – Major Projects and Partnerships  
Regulatory Affairs

BY COURIER

January 7, 2014

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 Hydro Ottawa Ltd.**

Hydro One Networks Inc. 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 Hydro Ottawa Ltd. 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 application and are illustrated in the attached map.

Should you have any questions on this application, please contact Pasquale Catalano at (416) 345-5405 or via email at Pasquale.Catalano@HydroOne.com.

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON FOR ANDREW SKALSKI

Andrew Skalski

Attach



## Application Form for Applications Under Section 86(1)(b) of the *Ontario Energy Board Act, 1998*

### Application Instructions

#### 1. Purpose of This Form

This form is to be used by parties applying under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act"). 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.

#### 2. Completion Instructions

This form is in a writeable PDF. The applicant must either:

- type answers to all questions, print two copies, and sign both copies; or
- print a copy of the form, clearly print answers to all questions, make a copy, and sign both copies.

Please send both copies of the completed form and two copies of any attachments to:

Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON M4P 1E4

If you have any questions regarding the completion of this application, please contact the Market Operations Hotline by telephone at 416-440-7604 or 1-888-632-6273 or email at [market.operations@oeb.gov.on.ca](mailto:market.operations@oeb.gov.on.ca).

The Board's "Performance Standards for Processing Applications" are indicated on the "Corporate Information and Reports" section of the Board's website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca). Applicants are encouraged to consider the timelines required to process applications to avoid submitting applications too late. If the submitted application is incomplete, it may be returned by the Board or there may be a delay in processing the application.

### PART I: IDENTIFICATION OF PARTIES

#### 1.1 Name of Applicant

Legal name of the applicant:	<b>Hydro One Networks Inc.</b>
Name of Primary Contact:	<b>Pasquale Catalano</b>
Title/Position:	<b>Regulatory Analyst</b>
Address of Head Office:	<b>483 Bay Street, South Tower, Toronto, M5G 2P5</b>
Phone:	<b>416-345-5405</b>
Fax:	<b>416-345-5866</b>
Email:	<b>Regulatory@HydroOne.com</b>

#### 1.2 Other Party to the Transaction (If more than one attach a list)

Name of other party:	<b>Hydro Ottawa Limited</b>
Name of Primary Contact:	<b>Bill Bennett</b>
Title/Position:	<b>Director, Distribution Asset Management</b>
Address of Head Office:	<b>1970 Merivale Road</b>
Phone:	<b>613-738-5499 ext. 7290</b>
Fax:	<b>613-221-5976</b>
Email :	<b>billbennett@HydroOttawa.com</b>

1.3 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?

- Yes  
 No

## PART II: DESCRIPTION OF ASSETS TO BE TRANSFERRED

2.1 Please provide a description of the assets that are the subject of the proposed transaction.

**The assets to be sold consist of 9 poles and 3300 metres of conductor. The poles to be sold are 1 – 1983 - 65 ft., 1 – 1987 - 45 ft., 4 – 1987 – 65 ft., 1 – 1987 – 70 ft., 1 – 2001 – 75 ft., 1 – 2004 – 85 ft. The 3300 metres of conductor to be sold was installed in 1965.**

2.2 Please indicate where the assets are located – whether in the applicant's service area or in the proposed recipient's service area (if applicable). Please include a map of the location.

**The assets are located on Richardson Side Road in Ottawa. This section of line is in the service territory of Hydro Ottawa Limited (“Hydro Ottawa”). (Please see Attachment 2 – Map)**

2.3 Are the assets surplus to the applicant's needs?

- Yes  
 No

If yes, please indicate why the assets are surplus and when they became surplus.

2.4 Are the assets useful to the proposed recipient or any other party in serving the public?

- Yes  
 No

If yes, please indicate why.

**These assets currently serve Hydro Ottawa customers, and will continue to do so.**

2.5 Please identify which utility's customers are currently served by the assets.

**The assets are currently being used to serve Hydro Ottawa customers. Bell Canada (“Bell”), Rogers Communications Inc. (“Rogers”) and Atria Networks (“Atria”) are currently Joint Use telecom partners on this pole. Upon approval, Hydro Ottawa will take these partners on as tenants on their poles.**

2.6 Please identify which utility's customers will be served by the assets after the transaction and into the foreseeable future.

**The assets will be used to serve Hydro Ottawa's customers.**

**PART III: DESCRIPTION OF THE PROPOSED TRANSACTION**

3.1 Will the proposed transaction be a sale, lease or other?

- Sale
- Lease
- Other

If other, please specify.

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 \$25,735 plus HST. The sale price is calculated under the Contract Administration Guide between Hydro One Networks Inc. (“Hydro One”) and Hydro Ottawa.**

3.3 Would the proposed transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties?

- Yes
- No

If yes, please explain how.

3.4 Would the proposed transfer impact distribution or transmission rates of the applicant?

- Yes
- No

If yes, please explain how.

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?

- Yes
- No

If yes, please explain how.

**PART IV: WRITTEN CONSENT/JOINT AGREEMENT**

4.1 Please provide the proposed recipient's written consent to the transfer of the assets by attaching:

- (a) a letter from the proposed recipient consenting to the transfer of the assets;
- (b) a letter or proposed sale agreement jointly signed by the applicant and the proposed recipient agreeing to the transfer of the assets; or
- (c) the proposed recipient's signature on the application.

**(a) The letter is found in Attachment 1.**

**PART V: REQUEST FOR NO HEARING**

- 5.1 Does the applicant request that the application be determined by the Board without a hearing? If yes, please provide:
- (a) an explanation as to how no person, other than the applicant or licence holder, will be adversely affected in a material way by the outcome of the proceeding; and
  - (b) the proposed recipient's written consent to dispose of the application without a hearing.

**(a) The line currently services Hydro Ottawa customers and will continue to do so. Hydro Ottawa will take over all of the existing telecom Joint Use partners on these poles.**

**(b) The letter is found in Attachment 1.**

**PART VI: OTHER INFORMATION**

- 6.1 Please provide the Board with any other information that is relevant to the application. When providing this additional information, please have due regard to the Board's objectives in relation to electricity.

**PART VII: CERTIFICATION AND ACKNOWLEDGMENT STATEMENT**

7.1 Certification and Acknowledgment

I certify that the information contained in this application and in the documents provided are true and accurate.

Signature of Key Individual

**ORIGINAL SIGNED BY JOANNE RICHARDSON ON BEHALF OF ANDREW SKALSKI**

Print Name of Key Individual **Andrew Skalski**

Title/Position **Director – Major Projects and Partnerships**

Date **01/07/2014**

Company **Hydro One Networks Inc.**

(Must be signed by a key individual. A key individual is one that is responsible for executing the following functions for the applicant: matters related to regulatory requirements and conduct, financial matters and technical matters. These key individuals may include the chief executive officer, the chief financial officer, other officers, directors or proprietors.)

**ATTACHMENT 1- Letters**

Hydro One Networks Inc.  
483 Bay Street  
14<sup>th</sup> Floor  
Toronto, Ontario  
M5G 2P5

Mr. Bill Bennett  
Director, Distribution Asset Management  
Hydro Ottawa Ltd.  
1970 Merivale Road,  
Ottawa, Ontario

Via Email: [BillBennett@HydroOttawa.com](mailto:BillBennett@HydroOttawa.com)

December 18, 2013

**RE: Sale of Line Section Assets – Richardson Side Road**

Dear Mr. Bennett

This letter is to confirm your interest in purchasing:

1. A section of nine (9) poles, including the 44kV conductor and associated hardware, running along the Richardson Side Road. The section commences east of the intersection of Terry Fox Drive and Richardson Side Road and concludes at the ninth (9<sup>th</sup>) pole which is west of intersection of Kanata Drive and Richardson Side Road.

Please indicate below if Hydro Ottawa Limited accepts the \$25,735.00 (plus \$3,345.55 HST) in the amount of purchase price for this line section and wishes to conclude the transaction.

The sale will be conditional on the following reassurances being given to Hydro One.

1. The assets will be sold following OEB approval, on an "as is, where is" basis.
2. Acceptance of any existing joint tenants, where applicable, whose tenancy with Hydro One Networks will be terminated upon the sales transaction.
3. The assumption of any existing or new easements and railway crossings required for poles and anchors.

After Hydro Ottawa Limited acknowledges its interest in purchasing the assets, we will seek approval of the sale under Section 86 of the OEB Act.

If you are in agreement with these conditions of sale, please sign and return this letter at your earliest convenience. On receipt of your signature below, we will begin the process to obtain the necessary internal and OEB approvals to complete the sale.

Warmest Regards,

ORIGINAL SIGNED BY ROBERT WALLENIUS

Robert Wallenius  
Account Executive (pro tem)  
Hydro One Networks Inc.

CC: /AC  
/AP  
/JB

**Acknowledgement**

I agree with the terms and conditions set out in this letter dated, December 18, 2013 regarding the purchase of:

1. A section of nine (9) poles, including the 44kV conductor and associated hardware, running along the Richardson Side Road. The section commences east of the intersection of Terry Fox Drive and Richardson Side Road and concludes at the ninth (9<sup>th</sup>) pole which is west of intersection of Kanata Drive and Richardson Side Road.

By signing, Hydro Ottawa Limited consents to dispose of the application without a hearing.

I have the authority to bind the corporation.

ORIGINAL SIGNED BY BILL BENNETT

---

Bill Bennett

Director, Distribution Asset Management  
Hydro Ottawa Limited



Hydro One Networks Inc.  
185 Clegg Road  
Markham, ON L6G 1B7  
www.HydroOne.com

Tel: (888) 332-2249 x3214  
Fax: (905) 946-6215  
John.Boldt@hydroone.com



John Boldt  
Manager, Program Integration  
Distribution Development

November 21, 2013

**Bell Canada  
Floor 3 West Tower  
5115 Creebank Rd  
Mississauga, Ontario  
L4W 5R1  
Attention: Tony Pereira- External Liason**

**RE: SALE OF HYDRO ONE NETWORKS INC. JOINT USE POLES – CITY OF OTTAWA**

This letter has been developed in respect to Hydro One Networks Inc. ("HONI") Joint Use Poles located in the City of Ottawa. There are Bell Canada attachments on these 9 poles. HONI would like to sell these Joint Use Poles to a third party within 3 months and as such, would like to receive Bell Canada's consent to the proposed sale pursuant to the provisions of the existing Agreement for the Joint Use Poles dated January 1, 2006 (the "Joint Use Agreement"). Please note that HONI intends to include as part of the transfer to the purchaser a condition that the purchaser agrees to continue to allow Bell Canada's attachments thereon for the remainder of the Initial Term (as this term is defined in the Joint Use Agreement).

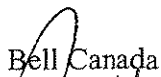
This asset sale is located on Richardson Side Road, between Kanata Avenue and Terry Fox Drive. The barcodes of the poles being sold are as follows: BUGK4J, BUGJTJ, BUGJRZ, BUGJUP, BUGJVT, BUGJWY, BUGJXD, BUGJYJ, and BUGJZN.

Please document your consent to the above-referenced proposed sale by no later than **Wednesday November, 27 2013** by signing the form of acceptance at the end of this letter on both the original and the enclosed duplicate and return one original to HONI for filing.

Should there be any further concerns do not hesitate to contact me.

Sincerely;  
John Boldt  
Manager Program Integration  
Hydro One Networks

The undersigned hereby consents to the sale by Hydro One Networks Inc. of Hydro One Networks Inc.'s Joint Use Poles identified above in this letter to a purchaser this 21 day of November, 2013.

  
Bell Canada

ORIGINAL SIGNED BY ROBERT MCKAY

Name: ROBERT MCKAY  
Title: ASSOCIATE DIRECTOR - ACCESS NETWORK  
I have authority to bind the corporation

**ATTACHMENT 2- Map**

