

Hydro One Networks Inc.

8th 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

March 2, 2011

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 Dermikland Inc. Doing Business as "Net Camping Resort"

Hydro One Networks seeks the Board's approval under Section 86(1)(b) of *the Ontario Energy Board Act* 1998 ("*the Act*"), for leave to sell assets to Dermikland Inc. doing business as "Net Camping Resort". 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 asset being sold in this transaction is described in the attached application and is illustrated in the attached map.

Should you have any questions on this application, please contact Yoon Kim at (416) 345-5228 or via email at Yoon.Kim@HydroOne.com.

Sincerely,

ORIGINAL SIGNED BY ANDREW SKALSKI

Andrew Skalski

Attachment



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
27th 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.

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. 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:	Hydro One Networks Inc.
Name of Primary Contact:	Yoon Kim
Title/Position:	Applications Analyst - Regulatory Affairs
Address of Head Office:	483 Bay Street, South Tower, Toronto, M5G 2P5
Phone:	416-345-5228
Fax:	416-345-5866
Email:	Yoon.Kim@HydroOne.com

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

Name of other party:	Dermikland Inc.
Name of Primary Contact:	Emil Miklavcic
Title/Position:	President
Address of Head Office:	2325 Regional Road 24, Box 541, Vineland, ON L0R 2C0
Phone:	905-892-3737 and 954-929-9657
Fax:	N/A
Email :	N/A

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

The purchaser is not a licensed distributor. While section 57 of the OEB Act (“the Act”) 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 the Act 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 purchaser, Dermikland Inc. doing business as “Net Camping Resort” would be exempted from section 57 of the Act.

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 the following seven overhead distribution transformers (one – 25kVA transformer (1987), one 50kVA transformer (2005), one 75kVA transformer (2004), three 100kVA transformers (1989, 1997 and 2005), and one 167kVA transformer (2001)) on the customer’s owned poles at the service location.

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 at 2325 Regional Road 24, lot 20, concession 3 in the Town of Pelham, ON (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.

The transformers are useful only to serve customers of Net Camping Resort.

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

The assets currently serve a Hydro One customer.

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 continue to serve the same Hydro One customer. After the sale, the assets will be owned by the customer instead of the utility, but Hydro One will continue to supply electricity to this customer.

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 \$38,204.28 plus HST for a total purchase of \$43,170.84. 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?

- 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 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.

(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 ANDREW SKALSKI	Print Name of Key Individual Andrew Skalski	Title/Position Director – Major Projects and Partnerships
	Date March 3 rd , 2011	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



Mailed

Nov. 17, 2010

September 27, 2010

Net Camping Resort
2325 Regional Rd 24
Box 541
Vineland, Ontario
L0R 2C0

Re: Net Camping Resort

Dear Emil Miklavcic

This letter is to advise you of the progress that is being made regarding the sale of Hydro One assets in the Net Camping Resort.

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

Within the Net Camping Resort there are 7 transformers with a net book value of \$38,204.28 plus HST for a total purchase price of \$43,170.84

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. Obtaining Ontario Energy Board (OEB) approval could take 12 - 20 weeks..

After official approvals have been obtained, the Net Camping Resort 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 Net Camping Resort agrees to purchase 7 transformers now owned by Hydro One, within the boundaries of the Net Camping Resort for a total price of \$38,204.28 plus HST.

Signature of Net Camping Resort Representative

EMIL MIKLAVCIC
Name (please print)

ORIGINAL SIGNED
BY EMIL MIKLAVCIC

Oct 13 2010
Date

Thank you for your co-operation in this matter.

Sincerely,

K. Myers

Lines Customer Support Clerk
Lincoln Field Business Centre
Zone 2

905-627-6033 (Krista Myers)

Enc - duplicate copy of letter & Return envelope



September 27, 2010

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

Attention: Emil Miklavcic

Re: Net Camping Resort

It is our understanding that approval is required by the Ontario Energy Board (OEB) for the sale of assets by Hydro One. Net Camping Resort 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.

DERMIKLAND I.N.C.
Name (Owner)

ORIGINAL SIGNED
BY DERMIKLAND INC
Signature

Oct 13-2010
Date

EMIL MIKLAVCIC
Name (Owner)

ORIGINAL SIGNED BY
EMIL MIKLAVCIC
Signature

Oct 13-2010
Date

Net Camping Resort
2325 Regional Rd 24
Box 541
Vineland, Ontario
L0R 2C0

ATTACHMENT 2- Map

ATTACHMENT 2 – Net Camping Resort Map

LEGEND	
SYMBOL	DESCRIPTION
	3Ø PRIMARY (1Ø/27.6 KV)
	2Ø PRIMARY
	1Ø PRIMARY
	3Ø PRIMARY (7.2/12.48 KV)
	2Ø PRIMARY
	1Ø PRIMARY
	3Ø PRIVATE (7.2/12.48 KV)
	2Ø PRIVATE
	1Ø PRIVATE
	1234 SWITCHING VAULT
	406LL7 OPENER & NUMBER
	2346 SWITCH, NUMBER & FUSE SIZE
	1254 AIR BREAK SWITCH
	4444 LOAD BREAK SWITCH
	346B RECLOSER, NUMBER, TYPE & SIZE
	RABBIT – STEP DOWN TRANSFORMER
	CAPACITOR
	1234 SUBDIVISION REFERENCE NUMBER
	METERING UNIT
	OPEN POINT
	W UNDERGROUND CABLE
	D.S. NAME DISTRIBUTION STATION
	NET METERING LOCATION
	1234 SINGLE REGULATOR & SIZE
	1234 2-PHASE REGULATOR & SIZE
	1234 3-PHASE REGULATOR & SIZE

