



EB-2013-0283

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 leave to sell distribution system assets to Bell Aliant Regional Communication LP.

By delegation, before: Viive Sawler

DECISION AND ORDER
September 26, 2013

THE APPLICATION

Hydro One Networks Inc. (“Hydro One”) filed an application with the Ontario Energy Board on August 1, 2013 under section 86(1)(b) of the *Ontario Energy Board Act, 1998*, (the “Act”) for an order granting Hydro One leave to sell distribution assets to Bell Aliant Regional Communication LP (“Bell”).

The Board assigned file number EB-2013-0283 to the application. The assets that are the subject of the proposed transaction are 29 poles located on Doran Road, south of Murphy Road and north of Black Ray Road in Petawawa, Ontario.

FINDINGS

Hydro One requested, with Bell'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 transmitter or 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.

Hydro One and Bell share poles that both use for their service networks. A Joint Use Agreement provides that if Bell wants to do any work in their prime exchange areas, the ownership of the poles must be transferred to Bell. The purpose of the proposed transaction is to change the ownership of the poles on which Bell wants to install a new cable.

After completion of the proposed transaction, Bell will own the assets and Hydro One will continue to be on these poles as a tenant. The assets will continue to assist in supplying electrical load to existing customers. The applicant states that the transaction will not adversely affect the safety, reliability, quality of service, operational flexibility or economic efficiency of Hydro One or Bell. As well, the applicant states that there will be no material impact on Hydro One ratepayers as a result of this sale.

This is a cash sale. The parties to the transaction agreed that the assets are being sold on an "as is, where is" basis for the sale price of \$47,329 plus HST. The sale price represents the value of the assets based on the residual value tables in the Joint Use Agreement. The residual values have been modified to remove the cost of pulling the poles.

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.

IT IS THEREFORE ORDERED THAT:

Hydro One is granted leave to sell to Bell 29 poles that consist of 1 – 35 ft. (1964) pole, 1 – 35 ft. (1967) pole, 3 – 50 ft. (1986) poles, 6 – 50 ft. (1988) poles, 9 – 50 ft. (2013) poles, 7 – 55 ft. (1986) poles and 2 – 55 ft. (1988) poles. The assets are located on Doran Road, south of Murphy Road and north of Black Ray Road in Petawawa, Ontario.

DATED at Toronto, September 26, 2013.

ONTARIO ENERGY BOARD

Original Signed By

Viive Sawler
Manager, Licence Applications, Conservation & Reporting