



EB-2014-0240

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 Canada

By delegation, before: Viive Sawler

DECISION AND ORDER

THE APPLICATION

Hydro One Networks Inc. ("Hydro One") filed an application with the Ontario Energy Board on July 14, 2014 under section 86(1)(b) of the *Ontario Energy Board Act, 1998*, for an order granting Hydro One leave to sell certain distribution system assets to Bell Canada ("Bell")

The Board assigned file number EB-2014-0240 to the application. The assets that are the subject of the proposed transaction consist of 7 telephone poles located on Bell Boulevard, immediately west of Hanna Court in Belleville, 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 other person will be adversely affected in a material way by the outcome of this proceeding. I have proceeded to decide the application without a hearing pursuant to section 6(4) of the Act.

Section 86(1)(b) of the Act provides that leave of the Board is required before a transmitter or 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 sale of the assets is a cash sale for the price of \$32,199.35. The sale is for the purposes of transferring ownership of assets that are located in a Bell Prime Exchange Area in Belleville, Ontario. As per the joint use agreement, if Bell wants to do any work in their prime exchange areas, they must hold ownership of the poles. Hydro One states that the poles will continue to supply load to existing customers at the same location as being served presently. The sale price is based on the value of the assets as per the agreed upon residual value tables in the Joint Use agreement between the parties. The residual value has been modified to remove the cost associated with removing the poles.

After the proposed transaction Bell will own the assets instead of Hydro One, but there will be no change in supply. The assets currently serve and will continue to serve Hydro One customers. The applicant states that the transaction will not adversely affect the safety, reliability, quality of service or operational flexibility for customers and that there are no environmental issues associated with the transaction.

Based on the evidence, I find that there are benefits to the proposed transaction, and no negative consequences have been identified. It is therefore in the public interest to grant Hydro One leave to sell the assets described below to Bell.

IT IS ORDERED THAT:

1. Hydro One Networks Inc. is granted leave to sell 7 telephone poles located on Bell Boulevard, immediately west of Hanna Court in Belleville, Ontario to Bell Canada.

ISSUED at Toronto, August 14, 2014

ONTARIO ENERGY BOARD

Original signed by

Viive Sawler
Manager, Licensing and Performance Reporting