



EB-2011-0340

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: Jennifer Lea

DECISION AND ORDER

THE APPLICATION

Hydro One Networks Inc. ("Hydro One") filed an application with the Ontario Energy Board on September 12, 2011 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-2011-0340 to the application. The assets that are the subject of the proposed transaction are 12 poles located on Highway 26 in the former Township of St. Vincent, now Municipality of Meaford.

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 the ownership split of the joint use poles between Hydro One and Bell is 60:40 (Hydro One: Bell). The purpose of the proposed transaction is to maintain the ownership balance between Hydro One and Bell.

After completion of the proposed transaction, Bell will own the assets and be responsible for maintaining them. 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 sale price is \$12,732 plus HST. The sale price represents the value of the assets based on the residual value tables in the Joint Use Agreement.

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 ORDERED THAT:

Hydro One is granted leave to sell to Bell 12 poles that consist of 1 – 40 ft. (1978) pole, 3 – 40 ft. (1982) poles, 3 – 40 ft. (1984) poles and 5 – 45 ft. (1984) poles. The assets are located on Highway 26, from Woodford to Meaford, part of lots 18 and 19, concession 8 in the former Township of St. Vincent, now Municipality of Meaford.

ISSUED at Toronto, October 25, 2011

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea
Counsel, Special Projects