



**EB-2012-0213**

**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 Pinewood Trailer Park

By delegation before: Viive Sawler

## **DECISION AND ORDER AUGUST 23, 2012**

### **THE APPLICATION**

On April 24, 2012 Hydro One Networks Inc. (“Hydro One”) filed an application with the Ontario Energy Board 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 Pinewood Trailer Park (“Pinewood”). Hydro One requested, with Pinewood’s consent, that the Board dispose of this matter without a hearing under section 21(4)(b) of the Act. The Board assigned file number EB-2012-0213 to the application.

The assets subject to the proposed transaction are:

- One line pole;
- One transformer pole;
- One 25 kVA overhead transformer;

- One 37.5 kVA overhead transformer;
- Two 50 kVA overhead transformer.

The assets are located on a trailer park owned and operated by Pinewood in Ross Township, Ontario. The assets will be sold for the price of \$9,442.34 plus HST. The sale price covers the net book value of the assets. Hydro One provided a map of the location of the assets with the application.

Hydro One stated that the assets are only useful to serve electricity consumers residing on the campground. Hydro One also stated that the assets will continue to serve the same consumers after the sale, but the assets used to supply these consumers will be owned by Pinewood instead of Hydro One. Hydro One will continue to supply electricity to these consumers through a primary metering unit on the trailer park.

Subsequently, in response to a Board staff information request, Hydro One and Pinewood provided additional information regarding the impetus for the proposed transaction and the metering configuration on the campground. Pinewood also provided information regarding the use of the installed meters after close of the transaction, and stated that the meters would be removed from the trailer park after the proposed transaction.

## **FINDINGS**

Hydro One requested that the Board dispose of the application without a hearing, pursuant to section 21(4)(b) of the Act. I note that Pinewood has consented to this request. I find that, based on the evidence filed in the application, no other 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 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 subject to this transaction are necessary in serving the public.

The purpose of the proposed transaction is to transfer ownership of the assets from Hydro One to Pinewood. The assets are located on land owned by Pinewood and are currently, and will continue to be used exclusively to serve Hydro One customers. In other words, following the transaction, Pinewood will own the assets instead of the utility, but there will be no change in supply. I agree with Hydro One’s statement 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 proposed transaction. I find that the proposed transfer will not impact distribution or transmission rates of the applicant.

Based on the evidence and Pinewood’s correspondence that the meters will be removed from the trailer park as part of the proposed transaction, 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 Pinewood. I note that its leave for sale of the assets is granted with the understanding that the meters will be removed from Pinewood’s property and in the future there will be no meters installed to sub-meter and bill consumers based on their usage.

**IT IS ORDERED THAT:**

1. Hydro One Networks Inc. is granted leave to sell the following distribution assets located on 240 Pinewood Park Road, Lot 17, Concession 2 in Ross Township, Ontario.

**DATED** at Toronto, August 23, 2012

**ONTARIO ENERGY BOARD**

*Original signed by*

Viive Sawler,  
Manager, Conservation & Reporting