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HYDRO ONE NETWORKS JOINT USE POLE AGREEMENT

The Transportation and Works Committee recommends the adoption of the recommendation contained in the following report, November 17, 2004, from the Commissioner of Transportation and Works:

1. RECOMMENDATION

It is recommended that:

1. The Regional Chair and Clerk be authorized to sign an agreement with Hydro One Networks for joint use of their utility poles, as outlined in this report.

2. PURPOSE

This report seeks approval of the terms of an agreement with Hydro One Networks. It also recommends authorization for the Regional Chair and Clerk to sign the agreement.

3. BACKGROUND

Hydro One Networks has almost two million distribution poles that form the backbone of electricity delivery system across Ontario. For many years, Hydro One Networks (formerly Ontario Hydro) has permitted various municipal attachments on its poles including street lights, traffic signals, banners, decorative lighting and other decorations.

Hydro One Networks recently completed a review and update of the Agreement for Licensed Occupancy of Power Utility Distribution Poles and Contract Administration Guide for Attachments on Utility Poles (Joint Use Agreements). In the past, the Region had a practice and an informal agreement with Hydro One Networks whereby street lights and traffic control signal equipment could be mounted onto their utility poles. In return, the Region paid a fee for this privilege. Hydro One Networks wishes to formalize this agreement and has prepared a Joint Use Agreement.

Hydro One Networks is requesting all municipalities having attachments on Hydro One Networks poles or wish to install new attachments enter into this formal legal agreement.

4. ANALYSIS

The objectives in the Hydro One Networks agreement remain unchanged, namely to ensure the integrity of their distribution assets and, most importantly, to ensure a safe working environment for Hydro One Networks workers and any contractors who might be working on the utility poles.

The Region has 529 traffic control signals and 4,017 street lights, of which there are only 39 total attachments onto Hydro One Networks utility poles. These attachments are required because it is impractical to place an additional pole to service just a traffic control signal or a street light. Since the Region's street light or signal is on a pole owned by Hydro One, a joint use agreement is necessary.

The updated agreement has been reviewed and approved by the Legal Services Branch and it is therefore recommended that authorization be given for the agreement to be signed by the Regional Chair and Clerk. The agreement primarily updates liability, ownership and the following two areas:

- Pole-to-Pole and Across-the-Road Banners
- Seasonal Decorative Lighting

For safety reasons, Hydro One Networks will no longer permit banners or strings of lights to be extended from pole to pole, as has typically been done across roads and main streets.

Municipalities using Hydro One Networks pole network for decorative lighting or lit decorations will now be required to have proper electrical receptacles on the poles. A qualified electrical contractor may install the receptacles in locations approved by Hydro One Networks and the installation must be inspected by the Electrical Safety Authority.

5. FINANCIAL IMPLICATIONS

The pole rental fee for streetlight and traffic control signals attachments on Hydro One Networks poles will remain at \$0.17 per attachment per month, or \$2.04 per attachment per year. However, Hydro One Networks is currently reviewing this fee.

Currently the Region has 39 attachments with an annual cost of \$79.56. Funds are included in the proposed 2005 budget for these expenses.

6. LOCAL MUNICIPAL IMPACT

There are no local municipal implications associated with this report. However, the local municipalities will be required to enter into a similar agreement for their facilities on hydro poles.

7. CONCLUSION

As noted previously, Hydro One Networks recently completed a review and updated the Agreement for Licensed Occupancy of Power Utility Distribution Poles and Contract Administration Guide for Attachments on Utility Poles. Their primary objectives have remained unchanged, namely to ensure the integrity of their distribution assets and, most importantly, to ensure a safe working environment for Hydro One Networks workers and any contractors who might be working on their poles.

Therefore, authorization should be granted for the Regional Chair and Clerk to sign an agreement with Hydro One Networks for joint use of utility poles.

The Senior Management Group has reviewed this report.