



November 27, 2009

Ontario Energy Board
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Attention: Ms. Kirsten Walli
Board Secretary

Dear Ms. Walli:

Re: EB-2009-0180/0181/0182/0183

This letter constitutes the Closing Argument of the City of Toronto ("City") in the above proceeding following the public hearing held by the Board on November 17th and 19th, 2009.

Under the *City of Toronto Act*, the City is responsible for determining the appropriate mechanisms for delivery of municipal services including streetlighting and for the appropriate level of municipal spending. Because of those responsibilities, it intervened in this proceeding to determine what the potential effect of the applications on its spending and streetlighting responsibilities would be and to test the evidence relevant to those effects.

Based upon the City's understanding of the evidence presented and referred to below, the City supports THC's four applications.

The City notes that the Board heard that THESL will use the revenue from the January 1, 2006 Street and Expressway Lighting Service Agreement between City of Toronto and Toronto Hydro Street Lighting Inc. ("Streetlighting Agreement") (section F, Tab 19, Sch. 4, App. E) as a revenue offset exclusively for THESL's Street Lighting customer class. THC's resulting forecast is that the net increase in costs from including street light assets to be transferred to THESL will be approximately \$350,000.00 (Tr. November 17th, pp. 30 - 32, 145 - 147). The City's support of THC's applications is premised on the assumption that the net increase is approximately that amount subject only to changes in the revenue to cost ratios for the Street Lighting rate class, and that



in any case the costs to the City would have no reason to become materially higher than otherwise if the applications are approved.

If the Board approves the applications as filed and in a subsequent rates proceeding establishes a new Street Lighting rate for THESL, the City agrees with THC that the Streetlighting Agreement will continue with all its terms, conditions and standards given full effect. That agreement in its present form is necessary to ensure that the City can continue to discharge its statutory responsibility for street and expressway lighting within its boundaries.

THC proposes to file more complete financial information relevant to streetlighting costs and rates in either its 2010 or 2011 rates application. The City reserves the right to seek intervenor status in that proceedings.

In conclusion, the City thanks the Board for its consideration of the City's participation in this matter.

Yours truly,

A handwritten signature in black ink, appearing to read "Ian Blue", with a long, sweeping horizontal line extending to the right.

IAN BLUE

IAB/ec