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December 23, 2010

via courier

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge St, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Toronto Hydro-Electric System Limited's ("THESL")
2011 Electricity Distribution Rate Application – Corrections and Confidential Filing
OEB File No. EB-2010-0142**

This letter is further to THESL's letter dated December 20, 2010 on this subject.

THESL is requesting Board approval that Toronto Hydro Corporation's ("THC") Business Plan 2011-2015, and the Term Contract for Civil and Electrical Design Build Services both be treated as confidential filings in accordance with the OEB's Practice Direction on Confidential Filings for the following reasons:

THC Business Plan 2011-2015

This business plan is a consolidated plan presented by THC's senior management to its Board of Directors that includes confidential information for both the regulated and unregulated business affairs of THC. In a previous THESL rate case (EB-2007-0680), the OEB determined that similar information presented by senior management to the Toronto Hydro Board of Directors, in its entirety, met the criteria for confidential treatment. At the time of its presentation, THESL's reasonable expectation was (and remains) that the OEB will view the 2011-2015 Business Plan in the same manner for purposes of THESL's current rate application. In addition, the forward-

looking financial information should not be made public as this would contravene THC's disclosure obligations under the Ontario Securities Act regime. These obligations constitute further grounds for the OEB to rule that this Board of Director's information be kept confidential. Finally, throughout the business plan the financial, commercially-sensitive and other strategic information of the regulated and unregulated businesses is co-mingled. . THESL submits that in these circumstances redaction of the business plan would result in confusing or potentially misleading information on the public record.

For all these reasons THESL requests that the current THC Business Plan, filed with the OEB on December 20, 2010, be treated *in its entirety* as confidential and submits that such treatment will not be prejudicial to the conduct of the hearing or the public interest.

Term Contract for Civil and Electrical Design Build Services (the "Agreement")

THESL has entered into the Agreement with contractors for the design-build for certain capital projects of a civil and/or electrical nature. The terms, unit prices and pricing structure contained in the Agreement are highly sensitive commercially given the competitive nature of this business. The disclosure of these principal business terms of the Agreement could reasonably be expected to prejudice the competitive positions and financial interests of THESL and the contractors since it would enable competitors and other customers to ascertain the key business terms of the services provided to THESL and the pricing associated thereof. The OEB's Practice Direction on Confidential Filings recognizes that these are among the factors that the Board will take into consideration when addressing the confidentiality of filings. They are also addressed in s. 17(1) of FIPPA, and the Practice Direction notes (at Appendix C) that third party information as described in s. 17(1) of FIPPA is among the types of information previously assessed or maintained by the OEB as confidential.

THESL provided to the OEB with its December 20, 2010 letter, a redacted version of the main body of the contract including Schedules A and B which define the scope of work, performance requirements, job instructions, contract administration, termination, insurance and bond requirements as well as standard terms and conditions. The redacted portions in the submitted main body contained the company name and personal information pertaining to the individual signing the contract.

Accompanying this letter is a confidential envelope containing an un-redacted copy of the Agreement with one of the contractors including Schedules A and B, but excluding Schedule C which contains the unit pricing (each Agreement is structured in the same manner). THESL asks that the Agreement, including Schedules A and B be treated *in its entirety* as confidential.

Schedule C (the unit pricing) is the most commercially-sensitive information in the Agreement and THESL's legal counsel wishes to discuss this matter with OEB counsel prior to making a decision regarding its release. THESL's legal counsel can be made available over the holiday period should OEB counsel wish to confer on this matter prior to the first week of January.

Yours truly,

[original signed by]

Glen A. Winn
Manager, Regulatory Applications & Compliance

:GAW/acc

cc: J. Mark Rodger, Counsel for THESL
Intervenors of Record for EB-2010-0142