

Pankaj Sardana
14 Carlton St
Toronto, Ontario M5B 1K5

Telephone: 416-542-2707
Facsimile: 416-542-3024
regulatoryaffairs@torontohydro.com



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via RESS e-filing – original to follow by courier

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

Dear Ms. Walli:

**RE: Toronto Hydro-Electric System Limited (THESL)
Notice of Withdrawal of Energy Storage Proposal
EB-2010-0142**

In its application for rates for 2011, under docket EB-2010-0142, THESL presented evidence and a proposal concerning an energy storage smart grid demonstration project.

In conjunction with the Settlement Proposal that THESL and intervenors have filed today with the Board, THESL wishes to advise the Board that THESL withdraws its energy storage proposal and the associated revenue requirement from its application in this proceeding.

Yours truly,

[Original signed by]

Pankaj Sardana

Vice-President, Treasurer and Regulatory Affairs
regulatoryaffairs@torontohydro.com

cc: Registered Intervenors in EB-2010-0142
J. Mark Rodger, Counsel to THESL