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via RESS – signed original to follow by courier

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

Dear Ms. Walli:

**Re: Toronto Hydro-Electric System Limited (“Toronto Hydro”)
Custom Incentive Rate-setting Application for 2015-2019 Electricity Distribution Rates
and Charges – Undertaking Responses
OEB File No. EB-2014-0116**

Toronto Hydro writes to the Ontario Energy Board (“OEB”) in respect of the above-noted matter.

Further to my letter dated February 23, 2015, enclosed is a response to Oral Hearing Undertaking J4.5 – CCC. In addition, Toronto Hydro is filing a response to AMPCO’s questions from Day 1 of the Oral Hearing re SCADA-Mate R1 units.¹ This response is being filed as Exhibit OH, Tab 1, Schedule 4.

Please contact me if you have any questions.

Yours truly,

[original signed by]

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encl.:DC\acc

cc: Charles Keizer, Torys LLP
Crawford Smith, Torys LLP
Amanda Klein, Toronto Hydro
Intervenors of Record for EB-2014-0116

¹ EB-2014-0116, Transcript Volume 1 (February 17, 2015) at pages 95-100.

**ORAL HEARING UNDERTAKING RESPONSE TO CONSUMERS
COUNCIL OF CANADA**

1 **UNDERTAKING NO. J4.5:**

2 **Reference(s):**

3

4 To confirm when the numbers filed in July were finalized internally (Exhibit 2A, Tab 6,
5 Schedule 2).

6

7 **RESPONSE:**

8 The forecast capital spending in Exhibit 2A for 2014 to 2019 was finalized at the end of
9 June 2014. Certain forecast spending was updated with new information in the
10 September 2014 update. An update to capital spending forecasts with respect to
11 Copeland was filed on February 6, 2015.

1 **TORONTO HYDRO RESPONSE TO APMCO'S QUESTIONS**
2 **REGARDING SCADA-MATE R1 UNIT COUNT INFORMATION**

3
4 In the course of the Day 1 of the Oral Hearing, AMPCO requested clarification with
5 respect to information presented in its compendium, Exhibit K1.1.¹ This information
6 related to Toronto Hydro's SCADA-Mate R1 Renewal program (Exhibit 2B, Section
7 E6.8). The response to the two specific requests are as follows.

8
9 **1) Why did Toronto Hydro update the number of units – but not the associated**
10 **costs – for the 2015 forecast year between the “THESL Response re AMPCO**
11 **Motion Settlement” (filed January 21, 2015) and the most recent Distribution**
12 **System Plan update (filed February 6, 2015).**

13
14 As part of its February 6, 2015 update to the Distribution System Plan (“DSP”),
15 Toronto Hydro corrected certain forecasted unit counts in seven DSP programs after
16 administrative errors were discovered. In the SCADA-Mate R1 Renewal program
17 specifically, the original 2015 unit counts omitted units related to ICM carry-over
18 work in 2015. Please note that this was strictly a presentation error with respect to
19 the unit forecast tables; therefore, the updated information had no bearing on the costs
20 of the program or the business case evaluation.

21
22 **2) To what extent did the historical average unit costs for SCADA-Mate R1**
23 **Renewal provided in the “THESL Response re AMPCO Motion Settlement”**
24 **influence the correction of units that occurred in the February 6th, 2015 update**
25 **of the DSP?**
26

¹ EB-2014-0116, Transcript Volume 1 (February 17, 2015) at pages 95-100.

1 The historical average unit costs provided in Toronto Hydro's Response to the
2 AMPCO's Motion Settlement (January 21, 2015) have no bearing on the forecasted
3 units in the SCADA-Mate R1 Renewal program. Any perceived differences in
4 average unit costs between the historical information provided in that response and
5 the forecasted information in the DSP are due to the various reasons and
6 considerations described in Toronto Hydro's Response to the AMPCO's Motion
7 (January 13, 2015, as supplemented on January 16, 2015), including Mr. Walker and
8 Ms. Rouse's Affidavits.