

February 17, 2016

Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. 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 – Updated Reply Submission on Draft Rate
Order
OEB File No. EB-2014-0116**

We are counsel for Toronto Hydro in the above-noted matter.

Toronto Hydro filed its Reply Submissions to comments received from Board Staff, Sustainable Infrastructure Alliance of Ontario, School Energy Coalition, and Energy Probe Research Foundation on the Draft Rate Order on February 12, 2016. On review Toronto Hydro noticed that an older version of Schedule 5 had been filed. The correct, updated version is enclosed.

Please contact me if you have any questions.

Yours truly,



Crawford Smith

CS/AD/acc

	RESIDENTIAL	CSMUR	GS < 50 kW	GS - 50 to 999 kW	GS > 1000 to 4999 kW	LARGE USE	STREET LIGHTING	UNMETERED SCATTERED LOAD	
2016 Forecast Billing Determinants (Mar - Dec)									
kVA				22,155,172	9,045,148	4,462,625	270,855		35,933,799
kWh	3,998,836,714	215,580,714	1,737,825,073	8,133,793,238	3,911,537,566	1,872,679,258	91,209,720	34,483,563	19,995,945,846
Non-RPP kWh	251,392,069	1,852,685	296,139,780	5,948,890,461	3,724,183,609	1,872,679,258	91,195,335	3,692,167	12,190,025,365
Number of Customers	614,972	66,092	69,277	12,248	442	49	1	898	763,979
Devices/Connections							164,394	11,720	
2016 Forecast Billing Determinants (Jan - Dec)									
kVA				26,453,431	10,717,086	5,310,683	324,984		42,806,184
kWh	4,905,620,419	255,526,309	2,101,996,032	9,838,327,422	4,669,074,039	2,234,712,907	114,659,005	41,245,045	24,161,161,179
Non-RPP kWh	308,667,131	1,831,511	360,993,267	7,203,076,041	4,431,593,661	2,228,386,374	114,074,934	4,404,055	14,653,026,974
Number of Customers	614,819	65,384	69,266	12,233	442	49	1	898	763,092
Devices/Connections							164,371	11,720	
Allocators									
2014 Fix/Variable % - Fix	64.8%	67.2%	30.0%	3.4%	7.1%	6.6%	0.0%	2.0%	
2014 Fix/Variable % - Variable	35.2%	32.8%	70.0%	96.6%	92.9%	93.4%	78.5%	95.3%	
2014 Fix/Variable % - Device/Connection							21.5%	2.7%	
2013 kWh	20.2%	0.4%	8.8%	40.5%	20.0%	9.4%	0.5%	0.2%	100.0%
2013 Distribution Revenue	43.4%	1.8%	12.8%	26.4%	8.6%	4.4%	2.1%	0.5%	100.0%
2011 Revenue Offsets	50.6%	1.9%	18.9%	20.5%	4.1%	1.6%	1.6%	0.8%	100.0%
2009/10 Reg Assets Allocation	18.2%	0.7%	8.2%	42.4%	19.6%	10.2%	0.5%	0.2%	100.0%
2013 Non-RPP kWh	2.1%	0.0%	2.4%	48.3%	31.0%	15.4%	0.8%	0.0%	100.0%
2011-13 LRAMVA	-4.6%	0.1%	27.2%	81.1%	-1.1%	-2.8%	0.0%	0.0%	100.0%
2013 Smart Metering Entity Rider Recovery	85.2%	5.2%	9.6%						
Stranded Meters	51.4%	0.0%	31.8%	16.8%	0.0%	0.0%	0.0%	0.0%	100.0%
Non-RPP Allocators	6.3%	0.9%	17.0%	73.1%	95.2%	100.0%	100.0%	10.7%	

	Total Amount For Clearance	ALLOCATOR	RESIDENTIAL	CSMUR	GS < 50 kW	GS - 50 to 999 kW	GS > 1000 to 4999 kW	LARGE USE	STREET LIGHTING	UNMETERED SCATTERED LOAD	TOTAL
Rate Rider for Recovery of 2015 Foregone Revenue - Fix	\$ 31,463,146	2014 Fix/Variable %	\$ 26,730,846	\$ 780,127	\$ 2,696,603	\$ 625,261	\$ 412,447	\$ 210,689	\$ -	\$ 7,173	\$ 31,463,146
Rate Rider for Recovery of 2015 Foregone Revenue - Variable	\$ 32,977,419	2014 Fix/Variable %	\$ -	\$ -	\$ 6,280,731	\$ 17,959,764	\$ 5,403,748	\$ 2,994,628	\$ -	\$ 338,547	\$ 32,977,419
Rate Rider for Recovery of 2015 Foregone Revenue - (Device/Conne	\$ 9,530	2014 Fix/Variable %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,530	\$ 9,530
Rate Rider for Recovery of 2016 Foregone Revenue - Fix	\$ 10,383,469	2014 Fix/Variable %	\$ 8,781,361	\$ 356,024	\$ 868,263	\$ 190,805	\$ 121,861	\$ 62,937	\$ -	\$ 2,218	\$ 10,383,469
Rate Rider for Recovery of 2016 Foregone Revenue - Variable	\$ 10,168,193	2014 Fix/Variable %	\$ -	\$ -	\$ 2,022,294	\$ 5,480,615	\$ 1,596,587	\$ 894,550	\$ 69,439	\$ 104,709	\$ 10,168,193
Rate Rider for Recovery of 2016 Foregone Revenue - (Device/Conne	\$ 21,943	2014 Fix/Variable %	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,995	\$ 2,947	\$ 21,943
Rate Rider for Smart Metering Entity	\$ 452,666	2013 Smart Metering Entity Recovery	\$ 385,770	\$ 23,437	\$ 43,460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 452,666
Rate Rider for Low Voltage Variance	\$ 1,257,359	2013 kWh	\$ 254,600	\$ 5,090	\$ 110,487	\$ 508,966	\$ 251,560	\$ 118,802	\$ 5,801	\$ 2,053	\$ 1,257,359
Rate Rider for PILs and Tax Variance	\$ (2,498,356)	2013 Distribution Revenue	\$ (1,083,179)	\$ (45,927)	\$ (320,932)	\$ (659,039)	\$ (214,397)	\$ (109,769)	\$ (53,205)	\$ (11,908)	\$ (2,498,356)
Rate Rider for PILs and Tax Variance HST	\$ (1,181,619)	2013 Distribution Revenue	\$ (512,299)	\$ (21,722)	\$ (151,787)	\$ (311,698)	\$ (101,401)	\$ (51,916)	\$ (25,164)	\$ (5,632)	\$ (1,181,619)
Rate Rider for Gain on Sale Named Properties	\$ 5,751,104	2011 Revenue Offsets	\$ 2,911,291	\$ 111,412	\$ 1,085,597	\$ 1,176,695	\$ 234,628	\$ 91,363	\$ 93,756	\$ 46,363	\$ 5,751,104
Rate Rider for Hydro One Capital Contributions Variance	\$ 1,853,428	2013 Distribution Revenue	\$ 803,567	\$ 34,071	\$ 238,086	\$ 488,914	\$ 159,053	\$ 81,433	\$ 39,470	\$ 8,834	\$ 1,853,428
Rate Rider for Residual RARA	\$ (1,889,947)	2009/10 Reg Assets Allocation	\$ (344,323)	\$ (13,177)	\$ (155,453)	\$ (800,812)	\$ (369,557)	\$ (192,705)	\$ (10,069)	\$ (3,851)	\$ (1,889,947)
Rate Rider for LRAMVA	\$ 3,583,689	2011-13 LRAMVA	\$ (163,297)	\$ 3,002	\$ 976,513	\$ 2,907,056	\$ (37,890)	\$ (101,695)	\$ -	\$ -	\$ 3,583,689
Rate Rider for Stranded Meters Disposition	\$ 15,791,311	Stranded Meters	\$ 8,118,464	\$ -	\$ 5,020,984	\$ 2,651,863	\$ -	\$ -	\$ -	\$ -	\$ 15,791,311
Rate Rider for IFRS - 2014 Derecognition	\$ 30,506,428	2013 Distribution Revenue	\$ 13,226,272	\$ 560,798	\$ 3,918,767	\$ 8,047,258	\$ 2,617,921	\$ 1,340,345	\$ 649,661	\$ 145,405	\$ 30,506,428
Rate Rider for POEB - Tax Savings	\$ (23,482,148)	2013 Distribution Revenue	\$ (10,180,847)	\$ (431,671)	\$ (3,016,448)	\$ (6,194,331)	\$ (2,015,130)	\$ (1,031,723)	\$ (500,073)	\$ (111,925)	\$ (23,482,148)
Rate Rider for Operations Center Consolidation Plan Sharing		2013 Distribution Revenue									
TOTAL											

	Proposed Recovery Period (years)	Billing Unit	RESIDENTIAL	CSMUR	GS < 50 kW	GS - 50 to 999 kW	GS > 1000 to 4999 kW	LARGE USE	STREET LIGHTING	UNMETERED SCATTERED LOAD
Rate Riders										
Volumetric Rate Riders										
Rate Rider for Recovery of 2015 Foregone Revenue - Fix	4	Note 1	0.93	0.21	0.83	1.07	19.92	90.17	0.00	0.17
Rate Rider for Recovery of 2015 Foregone Revenue - Variable	4	Note 1	0.00	0.00	0.00081	0.1750	0.1294	0.1452	0.0000	0.00214
Rate Rider for Recovery of 2015 Foregone Revenue - (Device/Conne	4	Note 1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.02
Rate Rider for Recovery of 2016 Foregone Revenue - Fix	4	Note 1	0.30	0.10	0.27	0.33	5.89	26.93	0.00	0.05
Rate Rider for Recovery of 2016 Foregone Revenue - Variable	4	Note 1	0.00	0.00	0.00026	0.0534	0.0382	0.0434	0.0547	0.00066
Rate Rider for Recovery of 2016 Foregone Revenue - (Device/Conne	4	Note 1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.01
Rate Rider for Low Voltage Variance	1	\$/kWh or \$/kVA	0.00006	0.00002	0.00006	0.0225	0.0273	0.0261	0.0210	0.00006
Rate Rider for PILs and Tax Variance	1	Note 1	-0.17	-0.07	-0.00018	-0.0292	-0.0232	-0.0241	-0.1926	-0.00035
Rate Rider for PILs and Tax Variance HST	1	Note 1	-0.08	-0.03	-0.00009	-0.0138	-0.0110	-0.0114	-0.0911	-0.00016
Rate Rider for Gain on Sale Named Properties	4	Note 1	0.10	0.04	0.00013	0.0114	0.0056	0.0044	0.0741	0.00029
Rate Rider for Hydro One Capital Contributions Variance	4	Note 1	0.03	0.01	0.00003	0.0047	0.0038	0.0039	0.0312	0.00006
Rate Rider for Residual RARA	1	\$/kWh or \$/kVA	-0.00009	-0.00006	-0.00009	-0.0354	-0.0401	-0.0423	-0.0364	-0.00011
Rate Rider for LRAMVA	1	Note 1	-0.03	0.00	0.00056	0.1286	-0.0041	-0.0223	0.0000	0.00000
Rate Rider for IFRS - 2014 Derecognition	4	Note 1	0.46	0.18	0.00049	0.0781	0.0627	0.0648	0.5133	0.00092
Rate Rider for POEB - Tax Savings	3	Note 1	-0.48	-0.19	-0.00051	-0.0814	-0.0653	-0.0675	-0.5347	-0.00096
Rate Rider for Operations Center Consolidation Plan Sharing	3	Note 1	-1.48	-0.59	-0.00156	-0.2512	-0.2017	-0.2084	-1.6506	-0.00296
Per Customer Rate Riders										
Rate Rider for Stranded Meters Disposition	4	\$/cust/30 days	0.28		1.55	4.64				
Rate Rider for Smart Metering Entity	1	\$/cust/30 days	0.06	0.03	0.06					

Note 1 - Residential and CSMUR rates recovery are based on \$/cust/30 days
 - All other Rate classes recovery are based on \$/kWh or \$/kVA or \$/Device or \$/Connection