

Toronto Hydro-Electric System Limited
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September 10, 2009

Filed via RESS and courier

E. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

**Re: Consultation on Cost of Capital
Toronto Hydro-Electric System Limited – Written Comments
Board File No.: EB-2009-0084**

Toronto Hydro-Electric System Limited (“THESL”), jointly with Hydro One Networks Inc. (“HONI”) and the Coalition of Large Distributors (“CLD”) retained Concentric Energy Advisors, Inc. (“Concentric”) to provide advice on the Board’s Cost of Capital Consultation. Concentric’s report was filed on behalf of HONI and the CLD on September 8, 2009. Separately from retaining Concentric with the CLD and HONI, THESL also retained Mr. Donald A. Carmichael to provide advice on the Board’s Cost of Capital Consultation because THESL felt it important that a capital market expert’s advice would greatly assist the Board’s deliberations in this matter.

By way of this letter, THESL wishes to advise the Board that THESL adopts as its supplementary submissions in this proceeding, the content of the paper titled: *“CAPITAL MARKETS ISSUES RELATING TO THE ONTARIO ENERGY BOARD’S RETURN on EQUITY FORMULA”* (the “Capital Markets Paper”) as prepared by Mr. Donald A. Carmichael and as submitted by Enbridge Gas Distribution Inc. (“Enbridge”) in its corrected submissions filed with the Board on September 9, 2009. THESL did not file these supplementary submissions by the September 8 due date because of a clerical error and requests that the Board accept them at this time. These submissions are supplementary to those filed jointly with the CLD on September 8, 2009.

This letter in searchable PDF format is filed through the Board’s Regulatory Electronic Submission System (RESS) and sent to intervenors by email. The requisite three (3) paper

copies have been sent to the Board by courier; however, in the interest of conservation, rather than reproduce the Capital Markets Paper with this letter, THESL directs the Board and intervenors to the Capital Markets Paper found at pages 202 through 246 of Enbridge's corrected submissions filed on September 9, 2009.

Please contact the undersigned at regulatoryaffairs@torontohydro.com regarding anything in this paper.

Yours truly,

[original signed by]

Pankaj Sardana
VP, Treasurer and Regulatory Affairs,
Toronto Hydro-Electric System Limited
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