AIRD & BERLIS LLP

Barristers and Solicitors

Dennis M. O'Leary Direct: 416.865.4711 E-mail:doleary@airdberlis.com

October 21, 2010

VIA EMAIL AND RESS

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

Dear Ms. Walli:

Re: Toronto Hydro-Electric System Limited 2011 Cost of Service Application Board File No. EB-2010-0142 Issues List submission from the Smart Sub-Metering Working Group

We represent the Smart Sub-Metering Working Group ("SSMWG").

Pursuant to Procedural Order No. 1, we write with the SSMWG's submissions on the draft Issues List.

While we do not have any concerns with the issues listed on the draft Issues List, we submit that it is appropriate to add an additional issue to the Cost Allocation and Rate Design Issues, perhaps as Issue 7.2(a), asking:

"Is it appropriate for Toronto Hydro to establish a separate rate class for multi-unit residential customers that are served directly by Toronto Hydro through its suite metering provision?"

The inclusion of such an issue is consistent with the position taken by the SSMWG in previous proceedings, and is the logical extension of the Board's finding in Toronto Hydro's 2010 rate case decision, which provides that:

".. the Board finds that THESL should undertake a cost allocation study related to its provision of suite metering services. The study shall include an analysis of the implications of creating and maintaining a separate rate class for those customers served in this manner. The Board is of the opinion that the potential for cross-subsidization is ongoing and that there may be merit in the establishment of a separate rate class for multi-unit residential customers that are served directly by THESL through its suite metering provision." (at page 29)

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Please contact us should you have any questions.

Yours truly,

AIRD & BERLIS LLP



Dennis M. O'Leary

DMO/ct

- cc Toronto Hydro-Electric System Limited Attention: Mr. Glen Winn regulatory<u>affairs@torontohydro.com</u>
- cc Mr. J. Mark Rodger Borden Ladner Gervais LLP <u>mrodger@blgcanada.com</u>
- cc Intervenors

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