

Glen A. Winn
14 Carlton St.
Toronto, Ontario
M5B 1K5

Telephone: 416.542.2517
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
PO Box 2319
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Toronto Hydro-Electric System Limited's ("THESL")
2011 Electricity Distribution Rate Application ("2011 EDR") – Board Decision and
Order on Motion, dated January 21, 2011
OEB File No. EB-2010-0142**

On January 21, 2011, the Board issued a Decision and Order on Motion in response to the Smart Sub-Metering Working Group ("SSMWG") Motion dated January 14, 2011.

THESL's response to items 1 and 4 of that Order are as follows:

Item 1:

SSMWG's interrogatory #1, part (k) is reproduced below;

- k) Please provide all references in THESL's 2011 rate application (EB-2010-0142) that discuss or relate to its unit sub-metering activities, including the financial impact of those activities (including rate base, expenses and revenue requirement impact). If there are no direct references to THESL's planned unit sub-metering activities in the rate application, please explain why and please provide references to where the financial impacts of the planned unit sub-metering activities are aggregated with other activities.

THESL provided the following answer on December 6, 2010;

- k) THESL will not undertake sub-metering activities within the regulated utility and therefore there are no direct references, financial or otherwise, to THESL's planned unit sub-metering activities in this rate application.

THESL maintains that this response fully and correctly answers SSMWG interrogatory #1, part (k), since that interrogatory specifically refers to sub-metering rather than suite metering. THESL re-confirms that there are no costs in THESL's 2011 EDR related to unit sub-metering; directly referenced or aggregated with other activities.

With respect to suite metering rather than sub-metering, THESL confirms that there are references in EB-2010-0142 to "suite metering" capital (Exhibit D1, Tab 8, Schedule 7) and operating costs (Exhibit F1, Tab 6, Schedule 1). The financial impact of the proposed 2011 "suite metering" activity referenced is \$0.71M to rate base, \$0.28M to distribution expenses, and \$0.39M to base revenue requirement.

Item 4:

THESL has reviewed items 2 and 3 of the Order with BDR. BDR has determined what additional data is necessary to carry out an alternate scenario as described in item 2 of the Order, and will further consider any additional scenarios or information that would be helpful to the Board as described in item 3 of the Order. Although the production of additional scenarios is a significant undertaking, BDR has provided THESL a completion date of February 18, 2011, and THESL will file the same day.

Yours truly,

[original signed by]

Glen A. Winn
Manager, Regulatory Applications & Compliance

:GAW/acc

cc: J. Mark Rodger, Counsel for THESL
Intervenors of Record for EB-2010-0142