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January 11, 2012

Delivered by Email

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
2300 Yonge Street
Suite 2701
Toronto ON M4P 1E4

Dear Ms. Walli:

Re: CANDAS Application - OEB File No.: EB-2011-0120

We write on behalf of Toronto Hydro-Electric System Limited (“THESL”) in connection with the above-noted matter. In particular, THESL writes to advise the Ontario Energy Board (the “Board”) of its progress in respect of the remaining interrogatories arising from the Board’s December 9, 2011 order (the “Order”) which it has not yet filed responses to.

In accordance with THESL's letter dated December 13, 2011, THESL responded to the following items on December 23, 2011:

- “Therefore, the Board will order THESL to:
 - a) Confirm whether THESI has a distribution pole attachment agreement with Cogeco in respect of One Zone attachments to poles that are to be transferred to THESL. If so,
 - b) Explain whether THESL will be bound by any existing contract between THESI and Cogeco? If so, produce the relevant agreement.
 - c) If the answer to (b) is no, provide a copy of any agreement which will govern the relationship between THESL and Cogeco in respect of the One Zone attachments on poles which are transferred from THESI to THESL.
 - d) If there is no agreement, explain what arrangements will govern the relationship between THESL and Cogeco in respect of the One Zone attachments on poles which will be transferred from THESI to THESL.
 - e) Provide an estimate of the number of THESI poles which will be transferred to THESL and which have One Zone attachments.”¹

¹ Board’s Order, p. 10.

- “The Board will however require THESL to provide a list of all the types of wireless attachments used for electricity distribution and the technical information for a representative sample of each type of wireless attachment.”²
- “The Board therefore orders THESL to:

Provide an estimate of the percentage of the total number of applications for wireless attachments rejected for (i) administrative; (ii) operational; and (iii) safety reasons;

In the case of those applications for wireless attachments rejections for reasons relating to safety, indicate the specific nature of the safety concern that resulted in rejection.”³

With respect to the remaining items, THESL is still in the process of gathering the information and materials necessary to provide responses, and is therefore not in a position to provide the Board a clear date by which it will file those remaining responses. However, THESL's best estimate at this time is that it will be in a position to file responses to the remaining items as set out in the table directly below. Should there be a change in THESL's estimate in this regard, it will advise the Board immediately.

Board Order	Estimated Disclosure/Production Date
<p>“The Board will order THESL to:</p> <ul style="list-style-type: none"> a) identify the parties (including the TTC and One Zone and any other parties with attachments which facilitate wireless communications) that currently have wireless attachments on THESL's poles; b) provide THESL's master agreement with each party; c) identify the price for the wireless attachments (if not covered in b); d) identify the approximate number of attachments for each party; and e) identify whether there are associated wireline attachments for 	January 20, 2012

² Board's Order, p. 12

³ Board's Order, p. 16.

the wireless attachments.” ⁴	
<p>“The Board will therefore require THESL to produce the information and material requested in CANDAS IR 1(h) and CCC IR 1.”</p> <ul style="list-style-type: none"> o <i>CANDAS IR 1(h): Were any presentations (oral or in writing) made to the THESL Board of Directors in relation to any of the subjects discussed in the THESL Letter, prior to the letter being filed with the Ontario Energy Board ("Board")? If yes, provide particulars of any oral presentations and copies of any written presentations, including, without limitation, power points, notes, memoranda, executive summaries and any similar writing.</i> · <i>CCC IR 1: Please provide copies of all reports, analyses, written communications, including email, with respect to the policy referred to in the letter of August 13, 2010. Please include copies of all reports to THESL's management and board of directors with respect to that policy.</i>⁵ 	February 17, 2012
<p>“The Board therefore orders THESL to:</p> <ul style="list-style-type: none"> a) provide copies of all reports including incident reports, analyses and communication, in support of the contention that wireless attachments impair operations efficiency and present incremental safety hazards to 	February 17, 2012

⁴ Board's Order, p. 9.

⁵ Board's Order, p. 7.

⁶ Board's Order, p. 15.

<p>electricity distribution; and</p> <p>b) provide copies of all reports, analyses, and communications, reporting on the issues described in paragraphs 42 to 46, of Ms Byrne's Affidavit."⁶</p>	
<p>"If THESL intends to make a claim of privilege, the Board will require THESL to produce a list of the documents for which a claim of privilege is being made and the grounds upon which the claim is being made."⁷</p>	<p>February 17, 2012</p>

In respect of the above-noted outstanding items, as THESL attested to as part of its responding motion materials in respect of the Board's Order as well as in its December 14, 2011 letter, disclosure and production of the materials sought in this regard is a very time-consuming process requiring substantial resources to complete. While THESL continues to work on a best-efforts basis to generate the remaining items as soon as possible, it is contending with, among other things, searching a set of records which is voluminous and spread across a number of employees, some of which have moved positions within, or are no longer with, the company.

THESL thanks the Board for its indulgence in this regard.

Yours very truly,

BORDEN LADNER GERVAIS LLP

Original signed by J. Mark Rodger

J. Mark Rodger

copy to: Pankaj Sardana and Amanda Klein, THESL
Helen Newland and Michael Schafner, CANDAS

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⁷ Board's Order, p. 5.