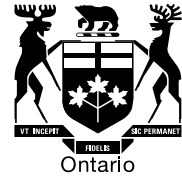


**Ontario Energy  
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**BY E-MAIL**

July 25, 2013

Rob Barrass  
Lead Regulatory Counsel  
Toronto Hydro-Electric System Limited  
14 Carlton Street  
Toronto ON M5B 1K5

Dear Mr. Barrass:

**Re: Application for an Order pursuant to section 29 of the *Ontario Energy Board Act, 1999*  
Board File Number EB-2013-0234**

On July 12, 2013 the Board sent a letter to Toronto Hydro-Electric System Limited ("THESL") requesting supplemental evidence before proceeding with the application. Specifically, the Board required an explanation of the impact of THESL's application on ratepayers, including details of how THESL proposes to account for the costs and revenues of wireless attachments if the application is granted.

In the reply letter sent on July 19, 2013, counsel to THESL stated the following:

*The question, implicit in your letter, is how our client proposes to treat the excess of revenue over costs. Our client proposes to share the benefit of any such excess with its ratepayers. However, our client is at present unable to forecast the revenues from wireless attachments that may result from charging a market rate. In addition, our client has not decided on the mechanism by which that sharing will be accomplished. Because of those considerations, it is impossible to provide evidence of the kind suggested by your letter.*

*In those circumstances, we are instructed to advise you that our client undertakes to bring an application to the Board with a proposal for the treatment of any excess of revenues over costs. We are further instructed to advise you that our client will bring that application at an early opportunity following the disposition of its application under Section 29. The relevant evidence will be provided in support of that application.*

The Board has reviewed the reply letter. While the Board understands that precise information may not currently be available with respect to the number of wireless providers that would seek to attach to THESL distribution poles in an unregulated rate environment and that therefore precise revenue amounts are not known, this should not preclude THESL from providing a clear indication of how it intends to treat the costs and revenues in an unregulated environment.

The Board has therefore determined that it will not proceed to issue a notice in this matter without a better understanding of the potential impacts of the application on THESL's ratepayers. The Board therefore requires that THESL provide supplemental evidence that describes how THESL proposes to track and account for revenues and costs including estimates of costs should the Board determine that it will forbear from regulating the rate for wireless attachments to THESL distribution poles.

The Board expects the supplemental evidence to be filed with the Board Secretary on or before August 15, 2013.

Yours truly,

*Original signed by*

Kirsten Walli  
Board Secretary

c.c. Robert Warren, WeirFoulds LLP