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August 15, 2018

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 (“Toronto Hydro”)  
Custom Incentive Rate-setting (“Custom IR”) Application for 2020-2024 Electricity  
Distribution Rates and Charges – Request for Confidential Treatment  
OEB File No. EB-2018-0165**

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Pursuant to Rule 10.01 of the OEB’s *Rules of Practice and Procedure* and the OEB’s *Practice Direction on Confidential Filings*, Toronto Hydro requests that certain information in the pre-filed evidence be kept confidential. Details about the particular information and the basis of the request for confidential treatment are provided below.

Descriptions of the particular information for which Toronto Hydro seeks confidential treatment and the rationale for the request, including the reasons why public disclosure would be detrimental to Toronto Hydro, are set out below. **Attachment ‘A’** contains redacted versions (non-confidential) of the relevant documents. **Attachment ‘B’** contains unredacted (confidential) versions of the relevant documents, each of which has been marked “confidential” and identifies all portions of the documents for which confidentiality is claimed by using highlighting. The confidential materials in Attachment ‘B’ are being provided to the OEB in a separate, sealed envelope that is marked “confidential” and have been excluded from the electronic version of this request. The confidentiality requests, organized by the type of information to be protected from disclosure, are as follows:

**1. Personal Information**

- Exhibit 4B, Tab 2, Schedule 3, Form T661, Part 1 and Part 2
- Exhibit 4B, Tab 2, Schedule 3, T2 Summary, Schedules 31, 550, 552 and 569

Toronto Hydro seeks confidential treatment of personal information contained in the utility’s corporate income tax return. Consistent with the definition of personal information under the *Freedom of Information and Protection of Privacy Act*, RSO, 1990, CF 31, the redacted information includes: the names, phone numbers, job titles, professional designations and years of experience of employees; the names and addresses of external individuals; and the names of students and

apprentices. Toronto Hydro notes that this information has been previously held confidential by the OEB.<sup>1</sup>

## **2. Business Numbers**

- Exhibit 4B, Tab 2, Schedule 3, Form T661, Part 1, Part 2 and Part 9
- Exhibit 4B, Tab 2, Schedule 3, T2 Summary, Schedules 1,2, 5-10, 23, 31, 33, 50, 53, 500, 508, 510, 511, 546, 550, 552, 568 and 569

For security and fraud protection reasons, Toronto Hydro seeks confidential treatment for any business numbers contained in the utility's corporate income tax return. Toronto Hydro submits that disclosure of this information can expose the utility and other parties to the risk of fraud, and notes that this information has previously been deemed confidential by the OEB.<sup>2</sup>

## **3. Commercially Sensitive and Proprietary Information**

- Exhibit 4B, Tab 2, Schedule 3, Form T661, Parts 2-8

Toronto Hydro seeks confidential treatment of commercially sensitive information contained in the utility's corporate income tax return. Specifically, the information contained in the Scientific Research and Experimental Development Expenditures Claims portion includes commercially sensitive and proprietary information that if disclosed, could affect the competitive position of Toronto Hydro and third parties.

## **4. Cost Difference between Internal and External Construction Projects**

- Exhibit 1B, Tab 2, Schedule 2, p. 22

Toronto Hydro seeks confidential treatment of the average cost differences between constructing projects internally versus using external contractors. Toronto Hydro submits that this information is commercially sensitive and that its disclosure could interfere significantly in Toronto Hydro's negotiations with construction contractors, as it may put upward pressure on contract prices. Such interference could result in a significant cost to the utility, and by extension, reduced value for ratepayers. Toronto Hydro respectfully submits that this information should be kept confidential. This information was deemed confidential by the OEB in the utility's last rebasing application.<sup>3</sup>

## **5. Information Posing Security and Safety-Related Risks**

- Exhibit 2B, Section E8.1, pp. 1-2, 5-9,12, 15, 17-18, 20-29, Appendix A, pp. 4, 6, 8 and Appendix B
- Exhibit 2B, Section E8.2, pp. 1, 3, 16-18, 20, 22, 24-26

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<sup>1</sup> See for instance, EB-2014-0116, Toronto Hydro-Electric System Decision on Confidentiality and Procedural Order No. 4 (January 7, 2015).

<sup>2</sup> See EB-2014-0116, Toronto Hydro-Electric System Decision on Confidentiality and Procedural Order No. 4 (January 7, 2015) at p. 4 and EB-2013-0196, 0197, 0198, Decision on Confidential Request and Procedural Order No. 5 (September 27, 2013) at pp. 7-8.

<sup>3</sup> EB-2014-0116, Toronto Hydro-Electric System Decision on Confidentiality and Procedural Order No. 4 (January 7, 2015) at p. 4.

Toronto Hydro seeks confidential treatment of the vulnerabilities and locations of its existing back-up and proposed Control Centre. The utility also seeks confidential treatment of the information that directly or indirectly discusses the vulnerabilities of the utility's existing security infrastructure. The disclosure of this information could adversely impact the safety and security of the distribution system. This type of information has been previously deemed confidential by the OEB.<sup>4</sup>

Please do not hesitate to contact me if you have any questions.

Yours truly,

A handwritten signature in blue ink, appearing to read "Andrew J. Sasso".

**Andrew J. Sasso**

Director, Regulatory Affairs

Toronto Hydro-Electric System Limited

[regulatoryaffairs@torontohydro.com](mailto:regulatoryaffairs@torontohydro.com)

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<sup>4</sup> See EB-2016-0160, Hydro One Networks Inc. Decision on Confidentiality Request (Revised) (September 26, 2016) at pp.3-5; and EB-2016-0152, Ontario Power Generation Inc. Decision and Order on Confidentiality (January 31, 2017) at p. 21.