

ONTARIO ENERGY BOARD

Toronto Hydro-Electric System Limited

2020 – 2024 Rates Application

**TECHNICAL CONFERENCE QUESTIONS ON GOVERNANCE OF
BUILDING OWNERS AND MANAGERS ASSOCIATION, GREATER TORONTO
("BOMA")**

February 26, 2019

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BOMA's Technical Conference Questions on Governance

Ref: IC-Staff-47

1. Toronto Hydro ("TH") states that its board consists of five persons, two of whom are also members of the board of directors of Toronto Hydro Corporation ("THC"). Please confirm that the current chair of THC is a member of the TH board, and that the chair of the TH board (listed as Howard Wetston in the 2017 annual report) is the second member of the THC board on the TH board. (Please provide the names of the current five directors of TH).
2. Please advise whether the two directors of THC that also serve as directors on the TH board receive compensation from TH over and above the compensation which each of the two individuals receive in their capacity as directors on the THC board. Please also provide the compensation each of the two individuals receive from THC and, if applicable, additional compensation from TH. Please advise the names of the three independent members of the TH board currently serving.

Ref: IC-Staff-48

1. Please confirm that, notwithstanding the shareholders' directive, no dividend may be paid from TH to the City of Toronto or to the THC unless such dividend has been approved by at least two of the three independent directors of TH, consistent with the Board's decision in EB-2005-0421 at p42.
2. Please confirm that all dividends that have been paid to date from TH to THC have been approved by a majority of the independent directors of TH, and provide documentation

that supports that statement. Please advise whether the directors of TH are appointed by the City of Toronto or by the THC.

3. Please advise when THC was created, and when it acquired the shares of TH from the City of Toronto.
4. Please advise why the THC has assumed responsibility for raising the debt capital required by TH, the proceeds of which THC immediately assigns to TH in return for promissory notes of the same amount, rather than TH raising the debt directly from the market.