



**BY EMAIL**

February 5, 2020

Andrew J. Sasso  
Toronto Hydro-Electric System Limited  
14 Carlton St.  
Toronto ON M5B 1K5  
[RegulatoryAffairs@TorontoHydro.com](mailto:RegulatoryAffairs@TorontoHydro.com)

Dear Mr. Sasso:

**Re: Toronto Hydro-Electric System Limited (Toronto Hydro)  
2020-2024 Rates Application – Draft Rate Order  
Ontario Energy Board File Number: EB-2018-0165**

In accordance with the Decision and Order, dated December 19, 2019, Toronto Hydro filed its draft rate order on January 21, 2020 (updated on January 28, 2020). The OEB also received submissions on the draft rate order from OEB staff and intervenors.

The OEB has reviewed the submissions of parties. The OEB's consideration of the issues raised in those submissions would be assisted by the filing of an updated draft rate order that addresses the error that Toronto Hydro identified related to the Allowance for Funds Used During Construction (AFUDC) amount.<sup>1</sup> Toronto Hydro has indicated its plan to file updated balances for the Capital Related Revenue Requirement Variance Account (CRRRVA) and the Derecognition account as part of its reply submission.<sup>2</sup> The OEB is concerned by any update that would require further assessment of these balances by the OEB and parties. However, if the changes are minor, the OEB will permit this update. Any significant changes can be dealt with in Toronto Hydro's next rate application. In this updated draft rate order, the draft Tariff of Rates and Charges (Tariff) for the unsmoothed option should be provided.

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<sup>1</sup> Cover Letter to Toronto Hydro Draft Rate Order / p. 1

<sup>2</sup> Cover Letter to Toronto Hydro Updated Draft Rate Order / p. 2.

The OEB requests that Toronto Hydro file these updates with its reply submission. The date for the filing of the reply submission is extended to February 12, 2020.

Yours truly,

*Original Signed By*

Christine E. Long  
Registrar and Board Secretary

c: All Parties in EB-2018-0165