

Daliana Coban
Director, Regulatory Applications & Business Support
Toronto Hydro-Electric System Limited
14 Carlton Street | Toronto, Ontario, M5B 1K5
Visit us at: www.torontohydro.com
Email: regulatoryaffairs@torontohydro.com



March 21, 2024

Ms. Nancy Marconi, Registrar
Ontario Energy Board
PO Box 2319
2300 Yonge Street, 27th floor
Toronto, ON M4P 1E4

Dear Ms. Marconi:

Re: OEB File No. EB-2023-0195, Toronto Hydro-Electric System Limited ("Toronto Hydro") 2025-2029 Custom Rate Application for Electricity Distribution Rates and Charges – Updates and Table of Concordance for Confidential Treatment of Interrogatory Responses

Further to Toronto Hydro's correspondence dated March 11, 2024 (the "**Prior Correspondence**"), Toronto Hydro writes pursuant to Rule 10.01 of the OEB's *Rules of Practice and Procedure* and the OEB's *Practice Direction on Confidential Filings* (the "**Practice Direction**") to request that certain information contained in documents being produced as part of the utility's updated batch of interrogatory responses (the "**Responsive Documents**") be treated as confidential.

Descriptions of the particular information contained in the Responsive Documents for which Toronto Hydro seeks confidential treatment and the rationale for the requests, including the reasons that public disclosure would be detrimental to Toronto Hydro or others, are set out below. Further, Toronto Hydro notes that many of the requests relate to information that is presumed to be confidential pursuant to Appendix B of the Practice Direction.

In the Prior Correspondence, Toronto Hydro requested an interim arrangement in respect of the Responsive Documents for **1B-SEC-11**, **2B-Staff-156(b)**, and **2B-Staff-237(b)** whereby the third-party commercial arrangements and other documents would be entirely subject to confidential treatment except for experts' scopes of work, and that Toronto Hydro would refile those updated Responsive Documents with any updated proposed redactions after having the opportunity to consult with the third-party counterparties. Furthermore, although not identified in the Prior Correspondence, Toronto Hydro had indicated in interrogatory responses **1B-SEC-5** and **2B-SEC-64(c)** that it would

refile the relevant Responsive Documents once disclosure consent from third-parties was obtained. As such, this batch of interrogatory responses includes the Responsive Documents for the interrogatories listed above, for which Toronto Hydro has included its requested redactions, as set out in the table below. Toronto Hydro also notes below the special circumstances affecting documents by Accenture for 1B-SEC-5 and Hydro One Networks Inc. for 2B-Staff-237(b).

Toronto Hydro previously indicated it would disclose the following reports prepared by Accenture in 1B-SEC-5, once it obtains Accenture's consent to do so:

- 2021 Utility Grid Modernization Benchmark Study (the "**Accenture PDF**")
- Grid Modernization Benchmarking Results (the "**Accenture Spreadsheet**"), in which Toronto Hydro's results are shown under utility identification number "20".

With respect to the Accenture Spreadsheet, the consultant provided Toronto Hydro consent to disclose the document on the condition that it is afforded confidential treatment in its entirety as it contains sensitive information and intellectual property of other utilities who participated in the study. The utility also notes that it was not able to mark the un-redacted version of the Accenture Spreadsheet as confidential in accordance with subsection 5.1.4(c) of the Practice Direction because the document is locked and thus cannot be edited.

With respect to the Accenture PDF, the consultant refused to provide Toronto Hydro the necessary consent to disclose the document. Toronto Hydro understands that in order to provide such consent the consultant requires authorization from the third-party utility that commissioned the study, and that such authorization has not been secured. Thus, Toronto Hydro will not be filing the Accenture PDF at this time.

Toronto Hydro also filed two Hydro One connection cost recovery agreements and two invoices under appendices A to D of interrogatory response 2B-Staff-237 and requested temporary confidential treatment pending disclosure consent from Hydro One. As of the date of this letter, Toronto Hydro continues to work with Hydro One to identify which particular sections of the four documents contain (i) financially sensitive information and (ii) information that may pose a security risk to Hydro One's transmission system if publicly disclosed. Toronto Hydro expects to receive further input from Hydro One with respect to these considerations later this week, and will update the record and the requested confidential treatment accordingly.

For this second batch of interrogatory responses, Toronto Hydro has followed the same approach of filing both redacted (public) and non-redacted (confidential) versions in Attachments "A" and "B", respectively, as described in page 2 of the Prior Correspondence. In the non-redacted (confidential) versions, confidential information is highlighted yellow, personal information is highlighted blue, and non-relevant information is highlighted red, in accordance with section 12 of the Practice Direction.

Finally, in accordance with section 12 of the Practice Direction, Toronto Hydro provides a table of concordance in the appendix to this letter, which describes all information for which Toronto Hydro requests confidential treatment and outlines the basis for each of the requests, for interrogatory responses that were filed on March 11, 2024 and that are being filed as of the date of this letter.

Toronto Hydro notes that based on feedback from its consultant it is no longer seeking confidential treatment of Appendix I to 1B-SEC-11, and as such, the utility is re-filing this document without any redactions. Toronto Hydro also notes that it narrowed the scope of the redactions for privileged information in the Responsive Documents to interrogatory 1A-CCC-1. As such, the utility is re-filing the documents with more targeted redactions for privileged information.

For ease of reference, Toronto Hydro is filing consolidated interrogatory response files for Exhibits 1B and 2B to include updated public versions of the Responsive Documents.

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

Yours truly,

Daliana Coban

Director, Regulatory Applications & Business Support

Appendix: Table of Concordance for Confidentiality Requests for Interrogatory Responses

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
1B-SEC-11 Appendix A	14	<i>Presumed confidential information: Practice Direction, Appendix B, Items 1 and 2; Appendix A, items A(i),(ii) and (iv)</i> Pricing information rates of third-party consultant: The retainer agreements entered into between Toronto Hydro and its consultants include pricing terms agreed to by Toronto Hydro and its consultants that resulted from a process of competitive negotiations. Some of these documents also include assumptions that third party consultants make in determining their pricing. Toronto Hydro is advised that disclosing this	N/A	N/A	N/A
1B-SEC-11 Appendix B	18				
1B-SEC-11 Appendix C	7, 17				
1B-SEC-11 Appendix D	18				
1B-SEC-11 Appendix E	17				
1B-SEC-11 Appendix F	17-18				
1B-SEC-11 Appendix G	6, 16				
1B-SEC-11 Appendix J	21				
1B-SEC-11 Appendix K	3-4				
2B-Staff-156 Appendix B	19-21, 34-35				

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		information on the public record could prejudice the respective competitive position of consultants in terms of future negotiations to provide similar services to Toronto Hydro or other potential clients.			
1B-SEC-11 Appendix E	22-36	<i>Practice Direction, Appendix A, Item C</i>	N/A	N/A	N/A
2B-Staff-156 Appendix B	45	Sensitive Cybersecurity Information: The indicated pages contain Toronto Hydro's cyber security requirements with which the third-parties were required to comply as a condition of their retainer. The disclosure of this information could adversely impact the safety and security of the distribution system, including related			

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		assets and facilities. More specifically, the information identifies vulnerabilities and configuration architecture of cyber infrastructure that can be exploited by malicious actors to harm Toronto Hydro. If disclosed publicly, this information could be exploited by malicious actors which could adversely affect the safety and security of the distribution system.			
1B-SEC-5 Appendix G	6-7	<i>Practice Direction, Appendix A, item A(ii)</i>	N/A	N/A	N/A
1B-SEC-5 Appendix H	4,6,7,12,14-22, 26-27,30-31,33, 35, 39, 41-47, 49, 52, 54	Third party confidential information provided to consultants on confidential basis: For the TRC benchmarking materials in 1B-SEC-5, Appendix G,			
1B-SEC-5 Appendix E	10,11,14				
1B-SEC-5 Appendix F	All				

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
2B-SEC-64 Appendix B	18-24	<p>Toronto Hydro seeks to anonymize the third-party utilities that participated in the benchmarking study. Similarly, for the EY study in 2B-SEC-64, Appendix B, Toronto Hydro seeks to redact information where it has been advised that the utility-specific information is sensitive was provided to the consultant on a confidential basis.</p> <p>These Responsive Documents identify commercial, operational and technical information provided by identifiable third-party utilities to carry out benchmarking studies. The information includes advice on processes and costs which are sensitive to the nature of the specific</p>			

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		<p>utilities' operations. Toronto Hydro is advised that the information was provided by the third-party utilities to advance the state of shared knowledge amongst regulated utilities, on the understanding that they would remain anonymous. Given that third party utilities shared information on the understanding that it would remain anonymous, as Toronto Hydro was advised, Toronto Hydro submits that the consultant would be at risk breaching contractual terms with third party agreements, by identifying those utilities on the public record. Toronto Hydro submits that that it is in the public interest to incentivize the exchange of shared experience and</p>			

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		<p>knowledge among utilities in a free and open manner, which would be at risk if the OEB compelled disclosure of information that was intended to remain confidential among utilities.</p> <p>For the Responsive Document prepared by PwC, Toronto Hydro is agreeable to identify, the third-party utilities that participated in the benchmarking study; however, for the above reasons, the Toronto Hydro is seeking confidential treatment for benchmark rankings of each of the third-party utilities.</p> <p>The Responsive Document prepared by Accenture consists of a spreadsheet</p>			

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		<p>commissioned by a third-party utility that sets out the results of Accenture's benchmarking study on grid modernization. The Responsive Document was provided to Toronto Hydro on a confidential basis as a courtesy for participating in the third-party utility's benchmarking study. Toronto Hydro would be at risk of breaching the terms of its contract with Accenture if it disclosed it on the public record. Accenture has consented to Toronto Hydro disclosing the document subject to the condition that the document as a whole remains subject to confidential treatment. Please refer to the relevant</p>			

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		discussion in the introduction of this letter.			
1B-SEC-5 Appendix E	7-8	<i>Appendix A, items A(i),(ii) and (iv)</i> Commercially sensitive and proprietary information of consultants relating to their methodology: Certain portions of Responsive Documents contain information of a proprietary and commercially sensitive nature (other than pricing terms), the public disclosure of which could prejudice the commercial interests and a competitive position of the consultants. This information sets out certain proprietary methodologies that the consultants have applied in their respective	N/A	N/A	N/A
1B-SEC-11 Appendix K	1-3				
2B-SEC-64 Appendix B	19-24				

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		studies would undermine the basis of the consultants' business, potentially seriously prejudicing the consultants' commercial and competitive position, as well as their ability to carry on business offering such research, and analysis.			
1B-SEC-5 Appendix E	1	Consultant Branding: The consultant, PwC, has advised that it did not consent to reproduce its branding on the Responsive Document, which consists of a report that it prepared. Although PwC does not object to being identified as the author of the Responsive Document, it has advised Toronto Hydro that due to the dated nature of the report and its	N/A	N/A	N/A

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		underlying data, and because PwC was not engaged to produce the Responsive Document for the purpose of these proceedings, it objects to its firm branding being included on the Responsive Document.			
1A-CCC-1 Appendix A	5, 78, 80, 83	N/A	N/A	<i>Presumed confidential information: Practice Direction, Appendix B, Item 6</i> Privileged Information (Solicitor-Client): The proposed redactions pertain to privileged information and communications by Toronto Hydro's	N/A
1A-CCC-1 Appendix B	42, 44				
1A-CCC-1 Appendix C	3				

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
				Chief Legal Officer, which were directly related to the seeking, formulating and giving legal advice to the Board of Directors (Permanent Redaction)	
1A-CCC-1 Appendix A	25-27, 29-30, 53-55, 74	<i>Presumed confidential per the OEB's Practice Direction, Appendix B, Item 9</i>	N/A	N/A	N/A

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
1A-CCC-1, Appendix B	5, 9-10, 12-14, 37-39, 61	Non-Public Forward-Looking Financial Information Giving Rise to Liability under Securities Law: The 2023-2025 Business Plan contains confidential forward-looking financial information which should not be made public as this would contravene Toronto Hydro Corporation's disclosure obligations under the Ontario Securities Act, R.S.O. 1990, c.S.5.			
1A-CCC-1, Appendix D	2-13, 28-32	N/A	N/A	N/A	The interrogatory requests all materials provided to Toronto Hydro's Board of Directors with respect to this

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
					application, the underlying budgets, and Toronto Hydro's most recent business plan. The indicated pages of Appendix D do not specifically relate to the rate application proposals, but rather contain contextual information of a general nature.
1A-CCC-1, Appendix A	22, 25-27, 29-30, 32, 48-51, 53-55, 74, 84	<i>Presumed Confidential per the OEB's Practice Direction Appendix B, Item 5</i> Financial Information Related to Toronto Hydro Affiliates and Non-Rate Regulated Business	N/A	N/A	N/A
1A-CCC-1, Appendix B	5, 9-10, 12-14, 16, 32-35, 37-39, 41, 61				

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		<p>Activities: Certain information contained in the Responsive Documents consist of financial statements of Toronto Hydro's non-regulated affiliates, or information that pertains to such financial information, the public disclosure of which could prejudice Toronto Hydro's and its affiliates' commercial interests and competitive position. Toronto Hydro further submits these portions of the Responsive Documents are, in any event, not relevant to Application, and provide no probative value to any issues to be decided by the Board.</p>			

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
2B-Staff-01	All	<p>Security Risk: Pursuant to the Practice Direction, Appendix A, Item (c), certain information contained in the Responsive Documents relates to the vulnerabilities and locations of Toronto Hydro's existing and proposed control centre and work center, including tangible risks to critical security infrastructure therein. If disclosed publicly, this information could be exploited by malicious actors and could adversely affect the safety and security of the distribution system. Toronto Hydro therefore seeks confidential treatment of this information.</p> <p>Previous Treatment: Pursuant to the Practice</p>	N/A	N/A	N/A
2B-Staff-02	All				

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		Direction, Appendix A, item (e), Toronto Hydro notes that in Procedural Order 3/Decision on Confidentiality in this proceeding, the Board accepted that it is appropriate to grant confidential treatment to safety/security, including the location and vulnerabilities of critical infrastructure, to the extent that its disclosure could adversely impact the safety and security of the distribution system. ¹			
3-DRC-14 Appendices A-E	All	<i>Presumed confidential per the OEB's Practice Direction, Appendix B, Item 7.</i>	N/A	N/A	N/A
1B-SEC-5 Appendix C	16-17				

¹ EB-2023-0195, Decision on Confidentiality, Issues List, and Proposed Expert Evidence and Procedural Order No. 3 (February 5, 2024), pp, 4-6.

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		<p>Third-Party Proprietary Data or Model: The relevant Responsive Documents consist of data sets and models of third-party consultants. The information in question is proprietary and of a commercially sensitive nature, the public disclosure of which could prejudice the commercial interests and a competitive position of the consultants, as contemplated in Appendix A, items (a)(i),(iii) and (iv) of the Practice Direction.</p> <p>Toronto Hydro's consultants are commercial enterprises which, among other services, collect, compile and provide Toronto with access to proprietary industry specific data that is</p>			

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		<p>not otherwise in the public domain, as well as analysis based on such proprietary data. This data is of a significant commercial value. The public disclosure of the consultants' proprietary data and analysis would make such information freely available for use by potential clients. This would undermine the basis of the consultants' business, potentially seriously prejudicing the consultants' commercial and competitive position, as well as their ability to carry on business offering such data, research and analysis. Further, the data in question consists of trade secret or financial, commercial, scientific or technical material that has</p>			

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
		consistently been treated as confidential pursuant to Appendix A item (b) and (e) of the Practice Direction.			
1B-SEC-05 Appendix C	7, 10-11	N/A	<p><i>Deemed Confidential per section 10 of the OEB's Practice Direction.</i></p> <p>Personal Information: Certain information contained in the Responsive Documents is "personal information" as defined in the Freedom of Information and Protection of Privacy Act, RSO 1990, c F.31. This personal</p>	N/A	N/A

Responsive Documents	Pages	Redactions for Confidential Treatment	Redactions for Personal Information	Redactions for Privileged Treatment	Redactions for Non-Relevance
			information consists of the compensation of specific non-named executive officers employed by Toronto Hydro that is not otherwise in the public domain.		
2B-Staff-237 Appendices A-D	All	Temporary confidentiality requests for the reasons noted above in the cover letter.	N/A	N/A	N/A